



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB1280

Introduced 2/20/2007, by Rep. Kevin Joyce and John A. Fritchey

SYNOPSIS AS INTRODUCED:

See Index

Amends the Property Tax Code. Provides that, in Cook County, homestead property must be valued at 100% of its fair cash value. Requires the Cook County Clerk to abate the property taxes levied on homestead property in an amount equal to: (1) the amount of the aggregate extension of all taxing districts against the property; less (2) an amount equal to 1% of the equalized assessed value of the property. Sets forth procedures to apply this abatement to the aggregate extensions of each taxing district. Creates the Cook County general homestead exemption to limit the assessment increases if homestead property to the lesser of: (i) 2%; or (ii) the increase in the CPI. Sets forth the taxable years in which this general homestead exemption applies. Amends the State aid provisions of the School Code to provide that, if the general homestead exemption is determined under the Cook County general homestead exemption provisions, then the available local resources are not effected. In provisions concerning the Property Tax Extension Limitation Law in the Property Tax Code, defines "extension limitation", for the 2007 taxable year and thereafter, as (a) the lesser of 2% (now, 5%) or the percentage increase in the Consumer Price Index during the 12-month calendar year preceding the levy year or (b) the rate of increase approved by voters. Amends various Acts to include a cross reference to the Cook County general homestead exemption provision in the Property Tax Code. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

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CORRECTIONAL
BUDGET AND
IMPACT NOTE ACT
MAY APPLY

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Economic Development Area Tax Increment
5 Allocation Act is amended by changing Section 6 as follows:

6 (20 ILCS 620/6) (from Ch. 67 1/2, par. 1006)

7 Sec. 6. Filing with county clerk; certification of initial
8 equalized assessed value.

9 (a) The municipality shall file a certified copy of any
10 ordinance authorizing tax increment allocation financing for
11 an economic development project area with the county clerk, and
12 the county clerk shall immediately thereafter determine (1) the
13 most recently ascertained equalized assessed value of each lot,
14 block, tract or parcel of real property within the economic
15 development project area from which shall be deducted the
16 homestead exemptions provided by Sections 15-170, 15-175, and
17 15-176 of the Property Tax Code, which value shall be the
18 "initial equalized assessed value" of each such piece of
19 property, and (2) the total equalized assessed value of all
20 taxable real property within the economic development project
21 area by adding together the most recently ascertained equalized
22 assessed value of each taxable lot, block, tract, or parcel of
23 real property within such economic development project area,

1 from which shall be deducted the homestead exemptions provided
2 by Sections 15-170, 15-175, ~~and 15-176,~~ and 15-177 of the
3 Property Tax Code, and shall certify such amount as the "total
4 initial equalized assessed value" of the taxable real property
5 within the economic development project area.

6 (b) After the county clerk has certified the "total initial
7 equalized assessed value" of the taxable real property in the
8 economic development project area, then in respect to every
9 taxing district containing an economic development project
10 area, the county clerk or any other official required by law to
11 ascertain the amount of the equalized assessed value of all
12 taxable property within that taxing district for the purpose of
13 computing the rate per cent of tax to be extended upon taxable
14 property within that taxing district, shall in every year that
15 tax increment allocation financing is in effect ascertain the
16 amount of value of taxable property in an economic development
17 project area by including in that amount the lower of the
18 current equalized assessed value or the certified "total
19 initial equalized assessed value" of all taxable real property
20 in such area. The rate per cent of tax determined shall be
21 extended to the current equalized assessed value of all
22 property in the economic development project area in the same
23 manner as the rate per cent of tax is extended to all other
24 taxable property in the taxing district. The method of
25 allocating taxes established under this Section shall
26 terminate when the municipality adopts an ordinance dissolving

1 the special tax allocation fund for the economic development
2 project area, terminating the economic development project
3 area, and terminating the use of tax increment allocation
4 financing for the economic development project area. This Act
5 shall not be construed as relieving property owners within an
6 economic development project area from paying a uniform rate of
7 taxes upon the current equalized assessed value of their
8 taxable property as provided in the Property Tax Code.

9 (Source: P.A. 93-715, eff. 7-12-04.)

10 Section 10. The Property Tax Code is amended by changing
11 Sections 14-15, 15-10, 15-170, 15-175, 18-178, 18-185, and
12 20-178 and by adding Sections 9-147, 15-177, and 18-178 as
13 follows:

14 (35 ILCS 200/9-147 new)

15 Sec. 9-147. Statutory level of assessment for homestead
16 property in Cook County. Beginning with the 2007 taxable year,
17 in Cook County, any tract or lot of property that is classified
18 as homestead property must be valued at 100% of its fair cash
19 value.

20 (35 ILCS 200/14-15)

21 Sec. 14-15. Certificate of error; counties of 3,000,000 or
22 more.

23 (a) In counties with 3,000,000 or more inhabitants, if,

1 after the assessment is certified pursuant to Section 16-150,
2 but subject to the limitations of subsection (c) of this
3 Section, the county assessor discovers an error or mistake in
4 the assessment, the assessor shall execute a certificate
5 setting forth the nature and cause of the error. The
6 certificate when endorsed by the county assessor, or when
7 endorsed by the county assessor and board of appeals (until the
8 first Monday in December 1998 and the board of review beginning
9 the first Monday in December 1998 and thereafter) where the
10 certificate is executed for any assessment which was the
11 subject of a complaint filed in the board of appeals (until the
12 first Monday in December 1998 and the board of review beginning
13 the first Monday in December 1998 and thereafter) for the tax
14 year for which the certificate is issued, may, either be
15 certified according to the procedure authorized by this Section
16 or be presented and received in evidence in any court of
17 competent jurisdiction. Certification is authorized, at the
18 discretion of the county assessor, for: (1) certificates of
19 error allowing homestead exemptions pursuant to Sections
20 15-170, 15-172, 15-175, ~~and~~ 15-176, and 15-177; (2)
21 certificates of error on residential property of 6 units or
22 less; (3) certificates of error allowing exemption of the
23 property pursuant to Section 14-25; and (4) other certificates
24 of error reducing assessed value by less than \$100,000. Any
25 certificate of error not certified shall be presented to the
26 court. The county assessor shall develop reasonable procedures

1 for the filing and processing of certificates of error. Prior
2 to the certification or presentation to the court, the county
3 assessor or his or her designee shall execute and include in
4 the certificate of error a statement attesting that all
5 procedural requirements pertaining to the issuance of the
6 certificate of error have been met and that in fact an error
7 exists. When so introduced in evidence such certificate shall
8 become a part of the court records, and shall not be removed
9 from the files except upon the order of the court.

10 Certificates of error that will be presented to the court
11 shall be filed as an objection in the application for judgment
12 and order of sale for the year in relation to which the
13 certificate is made or as an amendment to the objection under
14 subsection (b). Certificates of error that are to be certified
15 according to the procedure authorized by this Section need not
16 be presented to the court as an objection or an amendment under
17 subsection (b). The State's Attorney of the county in which the
18 property is situated shall mail a copy of any final judgment
19 entered by the court regarding any certificate of error to the
20 taxpayer of record for the year in question.

21 Any unpaid taxes after the entry of the final judgment by
22 the court or certification on certificates issued under this
23 Section may be included in a special tax sale, provided that an
24 advertisement is published and a notice is mailed to the person
25 in whose name the taxes were last assessed, in a form and
26 manner substantially similar to the advertisement and notice

1 required under Sections 21-110 and 21-135. The advertisement
 2 and sale shall be subject to all provisions of law regulating
 3 the annual advertisement and sale of delinquent property, to
 4 the extent that those provisions may be made applicable.

5 A certificate of error certified under this Section shall
 6 be given effect by the county treasurer, who shall mark the tax
 7 books and, upon receipt of one of the following certificates
 8 from the county assessor or the county assessor and the board
 9 of review where the board of review is required to endorse the
 10 certificate of error, shall issue refunds to the taxpayer
 11 accordingly:

"CERTIFICATION

12
 13 I,, county assessor, hereby certify
 14 that the Certificates of Error set out on the attached list
 15 have been duly issued to correct an error or mistake in the
 16 assessment."

"CERTIFICATION

17
 18 I,, county assessor, and we,
 19,
 20 members of the board of review, hereby certify that the
 21 Certificates of Error set out on the attached list have
 22 been duly issued to correct an error or mistake in the
 23 assessment and that any certificates of error required to
 24 be endorsed by the board of review have been so endorsed."

1 The county treasurer has the power to mark the tax books to
2 reflect the issuance of certificates of error certified
3 according to the procedure authorized in this Section for
4 certificates of error issued under Section 14-25 or
5 certificates of error issued to and including 3 years after the
6 date on which the annual judgment and order of sale for that
7 tax year was first entered. The county treasurer has the power
8 to issue refunds to the taxpayer as set forth above until all
9 refunds authorized by this Section have been completed.

10 To the extent that the certificate of error obviates the
11 liability for nonpayment of taxes, certification of a
12 certificate of error according to the procedure authorized in
13 this Section shall operate to vacate any judgment or forfeiture
14 as to that year's taxes, and the warrant books and judgment
15 books shall be marked to reflect that the judgment or
16 forfeiture has been vacated.

17 (b) Nothing in subsection (a) of this Section shall be
18 construed to prohibit the execution, endorsement, issuance,
19 and adjudication of a certificate of error if (i) the annual
20 judgment and order of sale for the tax year in question is
21 reopened for further proceedings upon consent of the county
22 collector and county assessor, represented by the State's
23 Attorney, and (ii) a new final judgment is subsequently entered
24 pursuant to the certificate. This subsection (b) shall be
25 construed as declarative of existing law and not as a new

1 enactment.

2 (c) No certificate of error, other than a certificate to
3 establish an exemption under Section 14-25, shall be executed
4 for any tax year more than 3 years after the date on which the
5 annual judgment and order of sale for that tax year was first
6 entered, except that during calendar years 1999 and 2000 a
7 certificate of error may be executed for any tax year, provided
8 that the error or mistake in the assessment was discovered no
9 more than 3 years after the date on which the annual judgment
10 and order of sale for that tax year was first entered.

11 (d) The time limitation of subsection (c) shall not apply
12 to a certificate of error correcting an assessment to \$1, under
13 Section 10-35, on a parcel that a subdivision or planned
14 development has acquired by adverse possession, if during the
15 tax year for which the certificate is executed the subdivision
16 or planned development used the parcel as common area, as
17 defined in Section 10-35, and if application for the
18 certificate of error is made prior to December 1, 1997.

19 (e) The changes made by this amendatory Act of the 91st
20 General Assembly apply to certificates of error issued before,
21 on, and after the effective date of this amendatory Act of the
22 91st General Assembly.

23 (Source: P.A. 93-715, eff. 7-12-04.)

24 (35 ILCS 200/15-10)

25 Sec. 15-10. Exempt property; procedures for certification.

1 All property granted an exemption by the Department pursuant to
2 the requirements of Section 15-5 and described in the Sections
3 following Section 15-30 and preceding Section 16-5, to the
4 extent therein limited, is exempt from taxation. In order to
5 maintain that exempt status, the titleholder or the owner of
6 the beneficial interest of any property that is exempt must
7 file with the chief county assessment officer, on or before
8 January 31 of each year (May 31 in the case of property
9 exempted by Section 15-170), an affidavit stating whether there
10 has been any change in the ownership or use of the property or
11 the status of the owner-resident, or that a disabled veteran
12 who qualifies under Section 15-165 owned and used the property
13 as of January 1 of that year. The nature of any change shall be
14 stated in the affidavit. Failure to file an affidavit shall, in
15 the discretion of the assessment officer, constitute cause to
16 terminate the exemption of that property, notwithstanding any
17 other provision of this Code. Owners of 5 or more such exempt
18 parcels within a county may file a single annual affidavit in
19 lieu of an affidavit for each parcel. The assessment officer,
20 upon request, shall furnish an affidavit form to the owners, in
21 which the owner may state whether there has been any change in
22 the ownership or use of the property or status of the owner or
23 resident as of January 1 of that year. The owner of 5 or more
24 exempt parcels shall list all the properties giving the same
25 information for each parcel as required of owners who file
26 individual affidavits.

1 However, titleholders or owners of the beneficial interest
2 in any property exempted under any of the following provisions
3 are not required to submit an annual filing under this Section:

4 (1) Section 15-45 (burial grounds) in counties of less
5 than 3,000,000 inhabitants and owned by a not-for-profit
6 organization.

7 (2) Section 15-40.

8 (3) Section 15-50 (United States property).

9 If there is a change in use or ownership, however, notice
10 must be filed pursuant to Section 15-20.

11 An application for homestead exemptions shall be filed as
12 provided in Section 15-170 (senior citizens homestead
13 exemption), Section 15-172 (senior citizens assessment freeze
14 homestead exemption), and Sections 15-175 ~~and~~ 15-176 (general
15 homestead exemption), and 15-177 (Cook County homestead
16 exemption), respectively.

17 (Source: P.A. 92-333, eff. 8-10-01; 92-729, eff. 7-25-02;
18 93-715, eff. 7-12-04.)

19 (35 ILCS 200/15-170)

20 Sec. 15-170. Senior Citizens Homestead Exemption. An
21 annual homestead exemption limited, except as described here
22 with relation to cooperatives or life care facilities, to a
23 maximum reduction set forth below from the property's value, as
24 equalized or assessed by the Department, is granted for
25 property that is occupied as a residence by a person 65 years

1 of age or older who is liable for paying real estate taxes on
2 the property and is an owner of record of the property or has a
3 legal or equitable interest therein as evidenced by a written
4 instrument, except for a leasehold interest, other than a
5 leasehold interest of land on which a single family residence
6 is located, which is occupied as a residence by a person 65
7 years or older who has an ownership interest therein, legal,
8 equitable or as a lessee, and on which he or she is liable for
9 the payment of property taxes. Before taxable year 2004, the
10 maximum reduction shall be \$2,500 in counties with 3,000,000 or
11 more inhabitants and \$2,000 in all other counties. For taxable
12 years 2004 through 2005, the maximum reduction shall be \$3,000
13 in all counties. For taxable years 2006 and thereafter, the
14 maximum reduction shall be \$3,500 in all counties.

15 For land improved with an apartment building owned and
16 operated as a cooperative, the maximum reduction from the value
17 of the property, as equalized by the Department, shall be
18 multiplied by the number of apartments or units occupied by a
19 person 65 years of age or older who is liable, by contract with
20 the owner or owners of record, for paying property taxes on the
21 property and is an owner of record of a legal or equitable
22 interest in the cooperative apartment building, other than a
23 leasehold interest. For land improved with a life care
24 facility, the maximum reduction from the value of the property,
25 as equalized by the Department, shall be multiplied by the
26 number of apartments or units occupied by persons 65 years of

1 age or older, irrespective of any legal, equitable, or
2 leasehold interest in the facility, who are liable, under a
3 contract with the owner or owners of record of the facility,
4 for paying property taxes on the property. In a cooperative or
5 a life care facility where a homestead exemption has been
6 granted, the cooperative association or the management firm of
7 the cooperative or facility shall credit the savings resulting
8 from that exemption only to the apportioned tax liability of
9 the owner or resident who qualified for the exemption. Any
10 person who willfully refuses to so credit the savings shall be
11 guilty of a Class B misdemeanor. Under this Section and
12 Sections 15-175 ~~and~~ 15-176, and 15-177, "life care facility"
13 means a facility as defined in Section 2 of the Life Care
14 Facilities Act, with which the applicant for the homestead
15 exemption has a life care contract as defined in that Act.

16 When a homestead exemption has been granted under this
17 Section and the person qualifying subsequently becomes a
18 resident of a facility licensed under the Nursing Home Care
19 Act, the exemption shall continue so long as the residence
20 continues to be occupied by the qualifying person's spouse if
21 the spouse is 65 years of age or older, or if the residence
22 remains unoccupied but is still owned by the person qualified
23 for the homestead exemption.

24 A person who will be 65 years of age during the current
25 assessment year shall be eligible to apply for the homestead
26 exemption during that assessment year. Application shall be

1 made during the application period in effect for the county of
2 his residence.

3 Beginning with assessment year 2003, for taxes payable in
4 2004, property that is first occupied as a residence after
5 January 1 of any assessment year by a person who is eligible
6 for the senior citizens homestead exemption under this Section
7 must be granted a pro-rata exemption for the assessment year.
8 The amount of the pro-rata exemption is the exemption allowed
9 in the county under this Section divided by 365 and multiplied
10 by the number of days during the assessment year the property
11 is occupied as a residence by a person eligible for the
12 exemption under this Section. The chief county assessment
13 officer must adopt reasonable procedures to establish
14 eligibility for this pro-rata exemption.

15 The assessor or chief county assessment officer may
16 determine the eligibility of a life care facility to receive
17 the benefits provided by this Section, by affidavit,
18 application, visual inspection, questionnaire or other
19 reasonable methods in order to insure that the tax savings
20 resulting from the exemption are credited by the management
21 firm to the apportioned tax liability of each qualifying
22 resident. The assessor may request reasonable proof that the
23 management firm has so credited the exemption.

24 The chief county assessment officer of each county with
25 less than 3,000,000 inhabitants shall provide to each person
26 allowed a homestead exemption under this Section a form to

1 designate any other person to receive a duplicate of any notice
2 of delinquency in the payment of taxes assessed and levied
3 under this Code on the property of the person receiving the
4 exemption. The duplicate notice shall be in addition to the
5 notice required to be provided to the person receiving the
6 exemption, and shall be given in the manner required by this
7 Code. The person filing the request for the duplicate notice
8 shall pay a fee of \$5 to cover administrative costs to the
9 supervisor of assessments, who shall then file the executed
10 designation with the county collector. Notwithstanding any
11 other provision of this Code to the contrary, the filing of
12 such an executed designation requires the county collector to
13 provide duplicate notices as indicated by the designation. A
14 designation may be rescinded by the person who executed such
15 designation at any time, in the manner and form required by the
16 chief county assessment officer.

17 The assessor or chief county assessment officer may
18 determine the eligibility of residential property to receive
19 the homestead exemption provided by this Section by
20 application, visual inspection, questionnaire or other
21 reasonable methods. The determination shall be made in
22 accordance with guidelines established by the Department.

23 In counties with less than 3,000,000 inhabitants, the
24 county board may by resolution provide that if a person has
25 been granted a homestead exemption under this Section, the
26 person qualifying need not reapply for the exemption.

1 In counties with less than 3,000,000 inhabitants, if the
2 assessor or chief county assessment officer requires annual
3 application for verification of eligibility for an exemption
4 once granted under this Section, the application shall be
5 mailed to the taxpayer.

6 The assessor or chief county assessment officer shall
7 notify each person who qualifies for an exemption under this
8 Section that the person may also qualify for deferral of real
9 estate taxes under the Senior Citizens Real Estate Tax Deferral
10 Act. The notice shall set forth the qualifications needed for
11 deferral of real estate taxes, the address and telephone number
12 of county collector, and a statement that applications for
13 deferral of real estate taxes may be obtained from the county
14 collector.

15 Notwithstanding Sections 6 and 8 of the State Mandates Act,
16 no reimbursement by the State is required for the
17 implementation of any mandate created by this Section.

18 (Source: P.A. 93-511, eff. 8-11-03; 93-715, eff. 7-12-04;
19 94-794, eff. 5-22-06.)

20 (35 ILCS 200/15-175)

21 Sec. 15-175. General homestead exemption. Except as
22 provided in Sections 15-176 and 15-177 ~~Section 15-176~~,
23 homestead property is entitled to an annual homestead exemption
24 limited, except as described here with relation to
25 cooperatives, to a reduction in the equalized assessed value of

1 homestead property equal to the increase in equalized assessed
2 value for the current assessment year above the equalized
3 assessed value of the property for 1977, up to the maximum
4 reduction set forth below. If however, the 1977 equalized
5 assessed value upon which taxes were paid is subsequently
6 determined by local assessing officials, the Property Tax
7 Appeal Board, or a court to have been excessive, the equalized
8 assessed value which should have been placed on the property
9 for 1977 shall be used to determine the amount of the
10 exemption.

11 Except as provided in Section 15-176, the maximum reduction
12 before taxable year 2004 shall be \$4,500 in counties with
13 3,000,000 or more inhabitants and \$3,500 in all other counties.
14 Except as provided in Sections 15-176 and 15-177 ~~Section~~
15 ~~15-176~~, for taxable years 2004 and thereafter, the maximum
16 reduction shall be \$5,000 in all counties. If a county has
17 elected to subject itself to the provisions of Section 15-176
18 as provided in subsection (k) of that Section or in Cook
19 County, then, for the first taxable year only after the
20 provisions of Section 15-176 or 15-177 ~~Section 15-176~~ no longer
21 applies ~~apply~~, for owners (i) who have not been granted a
22 senior citizens assessment freeze homestead exemption under
23 Section 15-172 for the taxable year and (ii) whose qualified
24 property has an assessed valuation that has increased by more
25 than 20% over the previous assessed valuation of the property,
26 there shall be an additional exemption of \$5,000 for owners

1 with a household income of \$30,000 or less. For purposes of
2 this paragraph, "household income" has the meaning set forth in
3 this Section 15-175.

4 In counties with fewer than 3,000,000 inhabitants, if,
5 based on the most recent assessment, the equalized assessed
6 value of the homestead property for the current assessment year
7 is greater than the equalized assessed value of the property
8 for 1977, the owner of the property shall automatically receive
9 the exemption granted under this Section in an amount equal to
10 the increase over the 1977 assessment up to the maximum
11 reduction set forth in this Section.

12 If in any assessment year beginning with the 2000
13 assessment year, homestead property has a pro-rata valuation
14 under Section 9-180 resulting in an increase in the assessed
15 valuation, a reduction in equalized assessed valuation equal to
16 the increase in equalized assessed value of the property for
17 the year of the pro-rata valuation above the equalized assessed
18 value of the property for 1977 shall be applied to the property
19 on a proportionate basis for the period the property qualified
20 as homestead property during the assessment year. The maximum
21 proportionate homestead exemption shall not exceed the maximum
22 homestead exemption allowed in the county under this Section
23 divided by 365 and multiplied by the number of days the
24 property qualified as homestead property.

25 "Homestead property" under this Section includes
26 residential property that is occupied by its owner or owners as

1 his or their principal dwelling place, or that is a leasehold
2 interest on which a single family residence is situated, which
3 is occupied as a residence by a person who has an ownership
4 interest therein, legal or equitable or as a lessee, and on
5 which the person is liable for the payment of property taxes.
6 For land improved with an apartment building owned and operated
7 as a cooperative or a building which is a life care facility as
8 defined in Section 15-170 and considered to be a cooperative
9 under Section 15-170, the maximum reduction from the equalized
10 assessed value shall be limited to the increase in the value
11 above the equalized assessed value of the property for 1977, up
12 to the maximum reduction set forth above, multiplied by the
13 number of apartments or units occupied by a person or persons
14 who is liable, by contract with the owner or owners of record,
15 for paying property taxes on the property and is an owner of
16 record of a legal or equitable interest in the cooperative
17 apartment building, other than a leasehold interest. For
18 purposes of this Section, the term "life care facility" has the
19 meaning stated in Section 15-170.

20 "Household", as used in this Section, means the owner, the
21 spouse of the owner, and all persons using the residence of the
22 owner as their principal place of residence.

23 "Household income", as used in this Section, means the
24 combined income of the members of a household for the calendar
25 year preceding the taxable year.

26 "Income", as used in this Section, has the same meaning as

1 provided in Section 3.07 of the Senior Citizens and Disabled
2 Persons Property Tax Relief and Pharmaceutical Assistance Act,
3 except that "income" does not include veteran's benefits.

4 In a cooperative where a homestead exemption has been
5 granted, the cooperative association or its management firm
6 shall credit the savings resulting from that exemption only to
7 the apportioned tax liability of the owner who qualified for
8 the exemption. Any person who willfully refuses to so credit
9 the savings shall be guilty of a Class B misdemeanor.

10 Where married persons maintain and reside in separate
11 residences qualifying as homestead property, each residence
12 shall receive 50% of the total reduction in equalized assessed
13 valuation provided by this Section.

14 In all counties, the assessor or chief county assessment
15 officer may determine the eligibility of residential property
16 to receive the homestead exemption and the amount of the
17 exemption by application, visual inspection, questionnaire or
18 other reasonable methods. The determination shall be made in
19 accordance with guidelines established by the Department,
20 provided that the taxpayer applying for an additional general
21 exemption under this Section shall submit to the chief county
22 assessment officer an application with an affidavit of the
23 applicant's total household income, age, marital status (and,
24 if married, the name and address of the applicant's spouse, if
25 known), and principal dwelling place of members of the
26 household on January 1 of the taxable year. The Department

1 shall issue guidelines establishing a method for verifying the
2 accuracy of the affidavits filed by applicants under this
3 paragraph. The applications shall be clearly marked as
4 applications for the Additional General Homestead Exemption.

5 In counties with fewer than 3,000,000 inhabitants, in the
6 event of a sale of homestead property the homestead exemption
7 shall remain in effect for the remainder of the assessment year
8 of the sale. The assessor or chief county assessment officer
9 may require the new owner of the property to apply for the
10 homestead exemption for the following assessment year.

11 Notwithstanding Sections 6 and 8 of the State Mandates Act,
12 no reimbursement by the State is required for the
13 implementation of any mandate created by this Section.

14 (Source: P.A. 93-715, eff. 7-12-04.)

15 (35 ILCS 200/15-177 new)

16 Sec. 15-177. The Cook County general homestead exemption.

17 (a) In Cook County, homestead property is entitled to an
18 annual homestead exemption equal to a reduction in the
19 property's equalized assessed value calculated as provided in
20 this Section.

21 (b) As used in this Section:

22 (1) "Assessor" means the supervisor of assessments or
23 the chief county assessment officer of each county.

24 (2) "Adjusted homestead value" means the lesser of the
25 following values:

1 (A) The property's base homestead value increased
2 by the adjustment limitation for each tax year after
3 the base year through and including the current tax
4 year, or, if the property is sold or ownership is
5 otherwise transferred, the property's base homestead
6 value increased by the adjustment limitation for each
7 tax year after the year of the sale or transfer through
8 and including the current tax year. The increase by the
9 adjustment limitation each year is an increase by the
10 limitation over the prior year.

11 (B) The property's equalized assessed value for
12 the current tax year minus \$5,000.

13 (3) "Assessment limitation" means the lesser of: (i)
14 5%; or (ii) the percentage increase in the Consumer Price
15 Index during the 12-month calendar year preceding the levy
16 year. "Consumer Price Index" means the Consumer Price Index
17 for All Urban Consumers for all items published by the
18 United States Department of Labor.

19 (4) "Base homestead value".

20 (A) Except as provided in subdivision (b)(4)(B),
21 "base homestead value" means the equalized assessed
22 value of the property for the base year prior to
23 exemptions, minus \$5,000, provided that it was
24 assessed for that year as residential property
25 qualified for any of the homestead exemptions under
26 Sections 15-170 through 15-175 of this Code, then in

1 force, and further provided that the property's
2 assessment was not based on a reduced assessed value
3 resulting from a temporary irregularity in the
4 property for that year. Except as provided in
5 subdivision (b) (4) (B), if the property did not have a
6 residential equalized assessed value for the base
7 year, then "base homestead value" means the base
8 homestead value established by the assessor under
9 subsection (c).

10 (B) If the property is sold or ownership is
11 otherwise transferred, other than sales or transfers
12 between spouses or between a parent and a child, "base
13 homestead value" means the equalized assessed value of
14 the property at the time of the sale or transfer prior
15 to exemptions, minus \$5,000, provided that it was
16 assessed as residential property qualified for any of
17 the homestead exemptions under Sections 15-170 through
18 15-175 of this Code, then in force, and further
19 provided that the property's assessment was not based
20 on a reduced assessed value resulting from a temporary
21 irregularity in the property.

22 (5) "Base year" means tax year 2006.

23 (6) "Current tax year" means the tax year for which the
24 exemption under this Section is being applied.

25 (7) "Equalized assessed value" means the property's
26 assessed value as equalized by the Department.

1 (8) "Homestead" or "homestead property" means:

2 (A) Residential property that as of January 1 of
3 the tax year is occupied by its owner or owners as his,
4 her, or their principal dwelling place, or that is a
5 leasehold interest on which a single family residence
6 is situated, that is occupied as a residence by a
7 person who has a legal or equitable interest therein
8 evidenced by a written instrument, as an owner or as a
9 lessee, and on which the person is liable for the
10 payment of property taxes. Residential units in an
11 apartment building owned and operated as a
12 cooperative, or as a life care facility, which are
13 occupied by persons who hold a legal or equitable
14 interest in the cooperative apartment building or life
15 care facility as owners or lessees, and who are liable
16 by contract for the payment of property taxes, are
17 included within this definition of homestead property.

18 (B) A homestead includes the dwelling place,
19 appurtenant structures, and so much of the surrounding
20 land constituting the parcel on which the dwelling
21 place is situated as is used for residential purposes.
22 If the assessor has established a specific legal
23 description for a portion of property constituting the
24 homestead, then the homestead is limited to the
25 property within that description.

26 (7) "Life care facility" means a facility as defined in

1 Section 2 of the Life Care Facilities Act.

2 (c) If the property did not have a residential equalized
3 assessed value for the base year as provided in subdivision
4 (b)(4)(A) of this Section, then the assessor shall first
5 determine an initial value for the property by comparison with
6 assessed values for the base year of other properties having
7 physical and economic characteristics similar to those of the
8 subject property, so that the initial value is uniform in
9 relation to assessed values of those other properties for the
10 base year. The product of the initial value multiplied by the
11 equalized factor for the base year for homestead properties in
12 that county, less 5,000, is the base homestead value.

13 For any tax year for which the assessor determines or
14 adjusts an initial value and, hence, a base homestead value
15 under this subsection (c), the initial value is subject to
16 review by the same procedures applicable to assessed values
17 established under this Code for that tax year.

18 (d) The base homestead value must remain constant, except
19 that the assessor may revise it under any of the following
20 circumstances:

21 (1) If the equalized assessed value of a homestead
22 property for the current tax year is less than the previous
23 base homestead value for that property, then the current
24 equalized assessed value (provided it is not based on a
25 reduced assessed value resulting from a temporary
26 irregularity in the property) becomes the base homestead

1 value in subsequent tax years.

2 (2) For any year in which new buildings, structures, or
3 other improvements are constructed on the homestead
4 property that would increase its assessed value, the
5 assessor shall adjust the base homestead value as provided
6 in subsection (c) of this Section with due regard to the
7 value added by the new improvements.

8 (3) If the property is sold or ownership is otherwise
9 transferred, the base homestead value of the property must
10 be adjusted as provided in subdivision (b) (4) (B). This item
11 (3) does not apply to sales or transfers between spouses or
12 between a parent and a child.

13 (e) The amount of the exemption under this Section is the
14 equalized assessed value of the homestead property for the
15 current tax year, minus the adjusted homestead value. In the
16 case of homestead property that also qualifies for the
17 exemption under Section 15-172, the property is entitled to the
18 exemption under this Section, limited to the amount of \$5,000.

19 (f) In the case of an apartment building owned and operated
20 as a cooperative, or as a life care facility, that contains
21 residential units that qualify as homestead property under this
22 Section, the maximum cumulative exemption amount attributed to
23 the entire building or facility shall not exceed the sum of the
24 exemptions calculated for each qualified residential unit. The
25 cooperative association, management firm, or other person or
26 entity that manages or controls the cooperative apartment

1 building or life care facility shall credit the exemption
2 attributable to each residential unit only to the apportioned
3 tax liability of the owner or other person responsible for
4 payment of taxes as to that unit. Any person who willfully
5 refuses to so credit the exemption is guilty of a Class B
6 misdemeanor.

7 (g) When married persons maintain separate residences, the
8 exemption provided under this Section may be claimed by only
9 one such person and for only one residence.

10 (h) In the event of a sale or other transfer in ownership
11 of the homestead property, the exemption under this Section
12 remains in effect for the remainder of the tax year in which
13 the sale or transfer occurs, but (other than for sales or
14 transfers between spouses or between a parent and a child) must
15 be calculated using the new base homestead value as provided in
16 subdivision (b) (4) (B). The assessor may require the new owner
17 of the property to apply for the exemption in the following
18 year.

19 (i) The assessor may determine whether property qualifies
20 as a homestead under this Section by application, visual
21 inspection, questionnaire, or other reasonable methods. Each
22 year, at the time the assessment books are certified to the
23 county clerk by the board of review, the assessor shall furnish
24 to the county clerk a list of the properties qualified for the
25 homestead exemption under this Section. The list must note the
26 base homestead value of each property to be used in the

1 calculation of the exemption for the current tax year.

2 (j) In Cook County, the provisions of this Section apply as
3 follows:

4 (1) If the general assessment year for the property is
5 2007, then this Section applies for assessment years 2007,
6 2008, and 2009. Thereafter, the provisions of Section
7 15-175 apply.

8 (2) If the general assessment year for the property is
9 2008, this Section applies for assessment years 2008, 2009,
10 and 2010. Thereafter, the provisions of Section 15-175
11 apply.

12 (3) If the general assessment year for the property is
13 2009, this Section applies for assessment years 2009, 2010,
14 and 2011. Thereafter, the provisions of Section 15-175
15 apply.

16 (k) Notwithstanding Sections 6 and 8 of the State Mandates
17 Act, no reimbursement by the State is required for the
18 implementation of any mandate created by this Section.

19 (35 ILCS 200/18-178 new)

20 Sec. 18-178. Cook County homestead abatement.

21 (a) The county clerk must abate the property taxes levied
22 on each parcel of homestead property that must be valued at
23 100% of its fair cash value under Section 9-147. The amount of
24 the abatement under this Section is:

25 (1) the amount of the aggregate extension of all taxing

1 districts against the property; less

2 (2) an amount equal to 1% of the equalized assessed
3 value of the property.

4 (b) This abatement must be applied to the aggregate
5 extensions of each taxing district that levies a property tax
6 on the property in an amount based on the percentage that the
7 district's aggregate extension bears to the total aggregate
8 extension of all taxing districts.

9 (35 ILCS 200/18-185)

10 Sec. 18-185. Short title; definitions. This Division 5 may
11 be cited as the Property Tax Extension Limitation Law. As used
12 in this Division 5:

13 "Consumer Price Index" means the Consumer Price Index for
14 All Urban Consumers for all items published by the United
15 States Department of Labor.

16 "Extension limitation", for taxable years prior to 2007,
17 means (a) the lesser of 5% or the percentage increase in the
18 Consumer Price Index during the 12-month calendar year
19 preceding the levy year or (b) the rate of increase approved by
20 voters under Section 18-205. "Extension limitation", for the
21 2007 taxable year and thereafter, means (a) the lesser of 2% or
22 the percentage increase in the Consumer Price Index during the
23 12-month calendar year preceding the levy year or (b) the rate
24 of increase approved by voters under Section 18-205.

25 "Affected county" means a county of 3,000,000 or more

1 inhabitants or a county contiguous to a county of 3,000,000 or
2 more inhabitants.

3 "Taxing district" has the same meaning provided in Section
4 1-150, except as otherwise provided in this Section. For the
5 1991 through 1994 levy years only, "taxing district" includes
6 only each non-home rule taxing district having the majority of
7 its 1990 equalized assessed value within any county or counties
8 contiguous to a county with 3,000,000 or more inhabitants.
9 Beginning with the 1995 levy year, "taxing district" includes
10 only each non-home rule taxing district subject to this Law
11 before the 1995 levy year and each non-home rule taxing
12 district not subject to this Law before the 1995 levy year
13 having the majority of its 1994 equalized assessed value in an
14 affected county or counties. Beginning with the levy year in
15 which this Law becomes applicable to a taxing district as
16 provided in Section 18-213, "taxing district" also includes
17 those taxing districts made subject to this Law as provided in
18 Section 18-213.

19 "Aggregate extension" for taxing districts to which this
20 Law applied before the 1995 levy year means the annual
21 corporate extension for the taxing district and those special
22 purpose extensions that are made annually for the taxing
23 district, excluding special purpose extensions: (a) made for
24 the taxing district to pay interest or principal on general
25 obligation bonds that were approved by referendum; (b) made for
26 any taxing district to pay interest or principal on general

1 obligation bonds issued before October 1, 1991; (c) made for
2 any taxing district to pay interest or principal on bonds
3 issued to refund or continue to refund those bonds issued
4 before October 1, 1991; (d) made for any taxing district to pay
5 interest or principal on bonds issued to refund or continue to
6 refund bonds issued after October 1, 1991 that were approved by
7 referendum; (e) made for any taxing district to pay interest or
8 principal on revenue bonds issued before October 1, 1991 for
9 payment of which a property tax levy or the full faith and
10 credit of the unit of local government is pledged; however, a
11 tax for the payment of interest or principal on those bonds
12 shall be made only after the governing body of the unit of
13 local government finds that all other sources for payment are
14 insufficient to make those payments; (f) made for payments
15 under a building commission lease when the lease payments are
16 for the retirement of bonds issued by the commission before
17 October 1, 1991, to pay for the building project; (g) made for
18 payments due under installment contracts entered into before
19 October 1, 1991; (h) made for payments of principal and
20 interest on bonds issued under the Metropolitan Water
21 Reclamation District Act to finance construction projects
22 initiated before October 1, 1991; (i) made for payments of
23 principal and interest on limited bonds, as defined in Section
24 3 of the Local Government Debt Reform Act, in an amount not to
25 exceed the debt service extension base less the amount in items
26 (b), (c), (e), and (h) of this definition for non-referendum

1 obligations, except obligations initially issued pursuant to
2 referendum; (j) made for payments of principal and interest on
3 bonds issued under Section 15 of the Local Government Debt
4 Reform Act; (k) made by a school district that participates in
5 the Special Education District of Lake County, created by
6 special education joint agreement under Section 10-22.31 of the
7 School Code, for payment of the school district's share of the
8 amounts required to be contributed by the Special Education
9 District of Lake County to the Illinois Municipal Retirement
10 Fund under Article 7 of the Illinois Pension Code; the amount
11 of any extension under this item (k) shall be certified by the
12 school district to the county clerk; (l) made to fund expenses
13 of providing joint recreational programs for the handicapped
14 under Section 5-8 of the Park District Code or Section 11-95-14
15 of the Illinois Municipal Code; (m) made for temporary
16 relocation loan repayment purposes pursuant to Sections 2-3.77
17 and 17-2.2d of the School Code; (n) made for payment of
18 principal and interest on any bonds issued under the authority
19 of Section 17-2.2d of the School Code; and (o) made for
20 contributions to a firefighter's pension fund created under
21 Article 4 of the Illinois Pension Code, to the extent of the
22 amount certified under item (5) of Section 4-134 of the
23 Illinois Pension Code.

24 "Aggregate extension" for the taxing districts to which
25 this Law did not apply before the 1995 levy year (except taxing
26 districts subject to this Law in accordance with Section

1 18-213) means the annual corporate extension for the taxing
2 district and those special purpose extensions that are made
3 annually for the taxing district, excluding special purpose
4 extensions: (a) made for the taxing district to pay interest or
5 principal on general obligation bonds that were approved by
6 referendum; (b) made for any taxing district to pay interest or
7 principal on general obligation bonds issued before March 1,
8 1995; (c) made for any taxing district to pay interest or
9 principal on bonds issued to refund or continue to refund those
10 bonds issued before March 1, 1995; (d) made for any taxing
11 district to pay interest or principal on bonds issued to refund
12 or continue to refund bonds issued after March 1, 1995 that
13 were approved by referendum; (e) made for any taxing district
14 to pay interest or principal on revenue bonds issued before
15 March 1, 1995 for payment of which a property tax levy or the
16 full faith and credit of the unit of local government is
17 pledged; however, a tax for the payment of interest or
18 principal on those bonds shall be made only after the governing
19 body of the unit of local government finds that all other
20 sources for payment are insufficient to make those payments;
21 (f) made for payments under a building commission lease when
22 the lease payments are for the retirement of bonds issued by
23 the commission before March 1, 1995 to pay for the building
24 project; (g) made for payments due under installment contracts
25 entered into before March 1, 1995; (h) made for payments of
26 principal and interest on bonds issued under the Metropolitan

1 Water Reclamation District Act to finance construction
2 projects initiated before October 1, 1991; (h-4) made for
3 stormwater management purposes by the Metropolitan Water
4 Reclamation District of Greater Chicago under Section 12 of the
5 Metropolitan Water Reclamation District Act; (i) made for
6 payments of principal and interest on limited bonds, as defined
7 in Section 3 of the Local Government Debt Reform Act, in an
8 amount not to exceed the debt service extension base less the
9 amount in items (b), (c), and (e) of this definition for
10 non-referendum obligations, except obligations initially
11 issued pursuant to referendum and bonds described in subsection
12 (h) of this definition; (j) made for payments of principal and
13 interest on bonds issued under Section 15 of the Local
14 Government Debt Reform Act; (k) made for payments of principal
15 and interest on bonds authorized by Public Act 88-503 and
16 issued under Section 20a of the Chicago Park District Act for
17 aquarium or museum projects; (l) made for payments of principal
18 and interest on bonds authorized by Public Act 87-1191 or
19 93-601 and (i) issued pursuant to Section 21.2 of the Cook
20 County Forest Preserve District Act, (ii) issued under Section
21 42 of the Cook County Forest Preserve District Act for
22 zoological park projects, or (iii) issued under Section 44.1 of
23 the Cook County Forest Preserve District Act for botanical
24 gardens projects; (m) made pursuant to Section 34-53.5 of the
25 School Code, whether levied annually or not; (n) made to fund
26 expenses of providing joint recreational programs for the

1 handicapped under Section 5-8 of the Park District Code or
2 Section 11-95-14 of the Illinois Municipal Code; (o) made by
3 the Chicago Park District for recreational programs for the
4 handicapped under subsection (c) of Section 7.06 of the Chicago
5 Park District Act; (p) made for contributions to a
6 firefighter's pension fund created under Article 4 of the
7 Illinois Pension Code, to the extent of the amount certified
8 under item (5) of Section 4-134 of the Illinois Pension Code;
9 and (q) made by Ford Heights School District 169 under Section
10 17-9.02 of the School Code.

11 "Aggregate extension" for all taxing districts to which
12 this Law applies in accordance with Section 18-213, except for
13 those taxing districts subject to paragraph (2) of subsection
14 (e) of Section 18-213, means the annual corporate extension for
15 the taxing district and those special purpose extensions that
16 are made annually for the taxing district, excluding special
17 purpose extensions: (a) made for the taxing district to pay
18 interest or principal on general obligation bonds that were
19 approved by referendum; (b) made for any taxing district to pay
20 interest or principal on general obligation bonds issued before
21 the date on which the referendum making this Law applicable to
22 the taxing district is held; (c) made for any taxing district
23 to pay interest or principal on bonds issued to refund or
24 continue to refund those bonds issued before the date on which
25 the referendum making this Law applicable to the taxing
26 district is held; (d) made for any taxing district to pay

1 interest or principal on bonds issued to refund or continue to
2 refund bonds issued after the date on which the referendum
3 making this Law applicable to the taxing district is held if
4 the bonds were approved by referendum after the date on which
5 the referendum making this Law applicable to the taxing
6 district is held; (e) made for any taxing district to pay
7 interest or principal on revenue bonds issued before the date
8 on which the referendum making this Law applicable to the
9 taxing district is held for payment of which a property tax
10 levy or the full faith and credit of the unit of local
11 government is pledged; however, a tax for the payment of
12 interest or principal on those bonds shall be made only after
13 the governing body of the unit of local government finds that
14 all other sources for payment are insufficient to make those
15 payments; (f) made for payments under a building commission
16 lease when the lease payments are for the retirement of bonds
17 issued by the commission before the date on which the
18 referendum making this Law applicable to the taxing district is
19 held to pay for the building project; (g) made for payments due
20 under installment contracts entered into before the date on
21 which the referendum making this Law applicable to the taxing
22 district is held; (h) made for payments of principal and
23 interest on limited bonds, as defined in Section 3 of the Local
24 Government Debt Reform Act, in an amount not to exceed the debt
25 service extension base less the amount in items (b), (c), and
26 (e) of this definition for non-referendum obligations, except

1 obligations initially issued pursuant to referendum; (i) made
2 for payments of principal and interest on bonds issued under
3 Section 15 of the Local Government Debt Reform Act; (j) made
4 for a qualified airport authority to pay interest or principal
5 on general obligation bonds issued for the purpose of paying
6 obligations due under, or financing airport facilities
7 required to be acquired, constructed, installed or equipped
8 pursuant to, contracts entered into before March 1, 1996 (but
9 not including any amendments to such a contract taking effect
10 on or after that date); (k) made to fund expenses of providing
11 joint recreational programs for the handicapped under Section
12 5-8 of the Park District Code or Section 11-95-14 of the
13 Illinois Municipal Code; and (l) made for contributions to a
14 firefighter's pension fund created under Article 4 of the
15 Illinois Pension Code, to the extent of the amount certified
16 under item (5) of Section 4-134 of the Illinois Pension Code.

17 "Aggregate extension" for all taxing districts to which
18 this Law applies in accordance with paragraph (2) of subsection
19 (e) of Section 18-213 means the annual corporate extension for
20 the taxing district and those special purpose extensions that
21 are made annually for the taxing district, excluding special
22 purpose extensions: (a) made for the taxing district to pay
23 interest or principal on general obligation bonds that were
24 approved by referendum; (b) made for any taxing district to pay
25 interest or principal on general obligation bonds issued before
26 the effective date of this amendatory Act of 1997; (c) made for

1 any taxing district to pay interest or principal on bonds
2 issued to refund or continue to refund those bonds issued
3 before the effective date of this amendatory Act of 1997; (d)
4 made for any taxing district to pay interest or principal on
5 bonds issued to refund or continue to refund bonds issued after
6 the effective date of this amendatory Act of 1997 if the bonds
7 were approved by referendum after the effective date of this
8 amendatory Act of 1997; (e) made for any taxing district to pay
9 interest or principal on revenue bonds issued before the
10 effective date of this amendatory Act of 1997 for payment of
11 which a property tax levy or the full faith and credit of the
12 unit of local government is pledged; however, a tax for the
13 payment of interest or principal on those bonds shall be made
14 only after the governing body of the unit of local government
15 finds that all other sources for payment are insufficient to
16 make those payments; (f) made for payments under a building
17 commission lease when the lease payments are for the retirement
18 of bonds issued by the commission before the effective date of
19 this amendatory Act of 1997 to pay for the building project;
20 (g) made for payments due under installment contracts entered
21 into before the effective date of this amendatory Act of 1997;
22 (h) made for payments of principal and interest on limited
23 bonds, as defined in Section 3 of the Local Government Debt
24 Reform Act, in an amount not to exceed the debt service
25 extension base less the amount in items (b), (c), and (e) of
26 this definition for non-referendum obligations, except

1 obligations initially issued pursuant to referendum; (i) made
2 for payments of principal and interest on bonds issued under
3 Section 15 of the Local Government Debt Reform Act; (j) made
4 for a qualified airport authority to pay interest or principal
5 on general obligation bonds issued for the purpose of paying
6 obligations due under, or financing airport facilities
7 required to be acquired, constructed, installed or equipped
8 pursuant to, contracts entered into before March 1, 1996 (but
9 not including any amendments to such a contract taking effect
10 on or after that date); (k) made to fund expenses of providing
11 joint recreational programs for the handicapped under Section
12 5-8 of the Park District Code or Section 11-95-14 of the
13 Illinois Municipal Code; and (l) made for contributions to a
14 firefighter's pension fund created under Article 4 of the
15 Illinois Pension Code, to the extent of the amount certified
16 under item (5) of Section 4-134 of the Illinois Pension Code.

17 "Debt service extension base" means an amount equal to that
18 portion of the extension for a taxing district for the 1994
19 levy year, or for those taxing districts subject to this Law in
20 accordance with Section 18-213, except for those subject to
21 paragraph (2) of subsection (e) of Section 18-213, for the levy
22 year in which the referendum making this Law applicable to the
23 taxing district is held, or for those taxing districts subject
24 to this Law in accordance with paragraph (2) of subsection (e)
25 of Section 18-213 for the 1996 levy year, constituting an
26 extension for payment of principal and interest on bonds issued

1 by the taxing district without referendum, but not including
2 excluded non-referendum bonds. For park districts (i) that were
3 first subject to this Law in 1991 or 1995 and (ii) whose
4 extension for the 1994 levy year for the payment of principal
5 and interest on bonds issued by the park district without
6 referendum (but not including excluded non-referendum bonds)
7 was less than 51% of the amount for the 1991 levy year
8 constituting an extension for payment of principal and interest
9 on bonds issued by the park district without referendum (but
10 not including excluded non-referendum bonds), "debt service
11 extension base" means an amount equal to that portion of the
12 extension for the 1991 levy year constituting an extension for
13 payment of principal and interest on bonds issued by the park
14 district without referendum (but not including excluded
15 non-referendum bonds). The debt service extension base may be
16 established or increased as provided under Section 18-212.
17 "Excluded non-referendum bonds" means (i) bonds authorized by
18 Public Act 88-503 and issued under Section 20a of the Chicago
19 Park District Act for aquarium and museum projects; (ii) bonds
20 issued under Section 15 of the Local Government Debt Reform
21 Act; or (iii) refunding obligations issued to refund or to
22 continue to refund obligations initially issued pursuant to
23 referendum.

24 "Special purpose extensions" include, but are not limited
25 to, extensions for levies made on an annual basis for
26 unemployment and workers' compensation, self-insurance,

1 contributions to pension plans, and extensions made pursuant to
2 Section 6-601 of the Illinois Highway Code for a road
3 district's permanent road fund whether levied annually or not.
4 The extension for a special service area is not included in the
5 aggregate extension.

6 "Aggregate extension base" means the taxing district's
7 last preceding aggregate extension as adjusted under Sections
8 18-215 through 18-230.

9 "Levy year" has the same meaning as "year" under Section
10 1-155.

11 "New property" means (i) the assessed value, after final
12 board of review or board of appeals action, of new improvements
13 or additions to existing improvements on any parcel of real
14 property that increase the assessed value of that real property
15 during the levy year multiplied by the equalization factor
16 issued by the Department under Section 17-30, (ii) the assessed
17 value, after final board of review or board of appeals action,
18 of real property not exempt from real estate taxation, which
19 real property was exempt from real estate taxation for any
20 portion of the immediately preceding levy year, multiplied by
21 the equalization factor issued by the Department under Section
22 17-30, including the assessed value, upon final stabilization
23 of occupancy after new construction is complete, of any real
24 property located within the boundaries of an otherwise or
25 previously exempt military reservation that is intended for
26 residential use and owned by or leased to a private corporation

1 or other entity, and (iii) in counties that classify in
2 accordance with Section 4 of Article IX of the Illinois
3 Constitution, an incentive property's additional assessed
4 value resulting from a scheduled increase in the level of
5 assessment as applied to the first year final board of review
6 market value. In addition, the county clerk in a county
7 containing a population of 3,000,000 or more shall include in
8 the 1997 recovered tax increment value for any school district,
9 any recovered tax increment value that was applicable to the
10 1995 tax year calculations.

11 "Qualified airport authority" means an airport authority
12 organized under the Airport Authorities Act and located in a
13 county bordering on the State of Wisconsin and having a
14 population in excess of 200,000 and not greater than 500,000.

15 "Recovered tax increment value" means, except as otherwise
16 provided in this paragraph, the amount of the current year's
17 equalized assessed value, in the first year after a
18 municipality terminates the designation of an area as a
19 redevelopment project area previously established under the
20 Tax Increment Allocation Development Act in the Illinois
21 Municipal Code, previously established under the Industrial
22 Jobs Recovery Law in the Illinois Municipal Code, or previously
23 established under the Economic Development Area Tax Increment
24 Allocation Act, of each taxable lot, block, tract, or parcel of
25 real property in the redevelopment project area over and above
26 the initial equalized assessed value of each property in the

1 redevelopment project area. For the taxes which are extended
2 for the 1997 levy year, the recovered tax increment value for a
3 non-home rule taxing district that first became subject to this
4 Law for the 1995 levy year because a majority of its 1994
5 equalized assessed value was in an affected county or counties
6 shall be increased if a municipality terminated the designation
7 of an area in 1993 as a redevelopment project area previously
8 established under the Tax Increment Allocation Development Act
9 in the Illinois Municipal Code, previously established under
10 the Industrial Jobs Recovery Law in the Illinois Municipal
11 Code, or previously established under the Economic Development
12 Area Tax Increment Allocation Act, by an amount equal to the
13 1994 equalized assessed value of each taxable lot, block,
14 tract, or parcel of real property in the redevelopment project
15 area over and above the initial equalized assessed value of
16 each property in the redevelopment project area. In the first
17 year after a municipality removes a taxable lot, block, tract,
18 or parcel of real property from a redevelopment project area
19 established under the Tax Increment Allocation Development Act
20 in the Illinois Municipal Code, the Industrial Jobs Recovery
21 Law in the Illinois Municipal Code, or the Economic Development
22 Area Tax Increment Allocation Act, "recovered tax increment
23 value" means the amount of the current year's equalized
24 assessed value of each taxable lot, block, tract, or parcel of
25 real property removed from the redevelopment project area over
26 and above the initial equalized assessed value of that real

1 property before removal from the redevelopment project area.

2 Except as otherwise provided in this Section, "limiting
3 rate" means a fraction the numerator of which is the last
4 preceding aggregate extension base times an amount equal to one
5 plus the extension limitation defined in this Section and the
6 denominator of which is the current year's equalized assessed
7 value of all real property in the territory under the
8 jurisdiction of the taxing district during the prior levy year.
9 For those taxing districts that reduced their aggregate
10 extension for the last preceding levy year, the highest
11 aggregate extension in any of the last 3 preceding levy years
12 shall be used for the purpose of computing the limiting rate.
13 The denominator shall not include new property or the recovered
14 tax increment value. If a new rate, a rate decrease, or a
15 limiting rate increase has been approved at an election held
16 after March 21, 2006, then (i) the otherwise applicable
17 limiting rate shall be increased by the amount of the new rate
18 or shall be reduced by the amount of the rate decrease, as the
19 case may be, or (ii) in the case of a limiting rate increase,
20 the limiting rate shall be equal to the rate set forth in the
21 proposition approved by the voters for each of the years
22 specified in the proposition, after which the limiting rate of
23 the taxing district shall be calculated as otherwise provided.
24 (Source: P.A. 93-601, eff. 1-1-04; 93-606, eff. 11-18-03;
25 93-612, eff. 11-18-03; 93-689, eff. 7-1-04; 93-690, eff.
26 7-1-04; 93-1049, eff. 11-17-04; 94-974, eff. 6-30-06; 94-976,

1 eff. 6-30-06; 94-1078, eff. 1-9-07; revised 1-11-07.)

2 (35 ILCS 200/20-178)

3 Sec. 20-178. Certificate of error; refund; interest. When
4 the county collector makes any refunds due on certificates of
5 error issued under Sections 14-15 through 14-25 that have been
6 either certified or adjudicated, the county collector shall pay
7 the taxpayer interest on the amount of the refund at the rate
8 of 0.5% per month.

9 No interest shall be due under this Section for any time
10 prior to 60 days after the effective date of this amendatory
11 Act of the 91st General Assembly. For certificates of error
12 issued prior to the effective date of this amendatory Act of
13 the 91st General Assembly, the county collector shall pay the
14 taxpayer interest from 60 days after the effective date of this
15 amendatory Act of the 91st General Assembly until the date the
16 refund is paid. For certificates of error issued on or after
17 the effective date of this amendatory Act of the 91st General
18 Assembly, interest shall be paid from 60 days after the
19 certificate of error is issued by the chief county assessment
20 officer to the date the refund is made. To cover the cost of
21 interest, the county collector shall proportionately reduce
22 the distribution of taxes collected for each taxing district in
23 which the property is situated.

24 This Section shall not apply to any certificate of error
25 granting a homestead exemption under Section 15-170, 15-172,

1 15-175, ~~or~~ 15-176, or 15-177.

2 (Source: P.A. 93-715, eff. 7-12-04.)

3 Section 15. The County Economic Development Project Area
4 Property Tax Allocation Act is amended by changing Section 6 as
5 follows:

6 (55 ILCS 85/6) (from Ch. 34, par. 7006)

7 Sec. 6. Filing with county clerk; certification of initial
8 equalized assessed value.

9 (a) The county shall file a certified copy of any ordinance
10 authorizing property tax allocation financing for an economic
11 development project area with the county clerk, and the county
12 clerk shall immediately thereafter determine (1) the most
13 recently ascertained equalized assessed value of each lot,
14 block, tract or parcel of real property within the economic
15 development project area from which shall be deducted the
16 homestead exemptions provided by Sections 15-170, 15-175, ~~and~~
17 15-176, and 15-177 of the Property Tax Code, which value shall
18 be the "initial equalized assessed value" of each such piece of
19 property, and (2) the total equalized assessed value of all
20 taxable real property within the economic development project
21 area by adding together the most recently ascertained equalized
22 assessed value of each taxable lot, block, tract, or parcel of
23 real property within such economic development project area,
24 from which shall be deducted the homestead exemptions provided

1 by Sections 15-170, 15-175, and 15-176 of the Property Tax
2 Code. Upon receiving written notice from the Department of its
3 approval and certification of such economic development
4 project area, the county clerk shall immediately certify such
5 amount as the "total initial equalized assessed value" of the
6 taxable property within the economic development project area.

7 (b) After the county clerk has certified the "total initial
8 equalized assessed value" of the taxable real property in the
9 economic development project area, then in respect to every
10 taxing district containing an economic development project
11 area, the county clerk or any other official required by law to
12 ascertain the amount of the equalized assessed value of all
13 taxable property within that taxing district for the purpose of
14 computing the rate percent of tax to be extended upon taxable
15 property within the taxing district, shall in every year that
16 property tax allocation financing is in effect ascertain the
17 amount of value of taxable property in an economic development
18 project area by including in that amount the lower of the
19 current equalized assessed value or the certified "total
20 initial equalized assessed value" of all taxable real property
21 in such area. The rate percent of tax determined shall be
22 extended to the current equalized assessed value of all
23 property in the economic development project area in the same
24 manner as the rate percent of tax is extended to all other
25 taxable property in the taxing district. The method of
26 allocating taxes established under this Section shall

1 terminate when the county adopts an ordinance dissolving the
2 special tax allocation fund for the economic development
3 project area. This Act shall not be construed as relieving
4 property owners within an economic development project area
5 from paying a uniform rate of taxes upon the current equalized
6 assessed value of their taxable property as provided in the
7 Property Tax Code.

8 (Source: P.A. 93-715, eff. 7-12-04.)

9 Section 17. The County Economic Development Project Area
10 Tax Increment Allocation Act of 1991 is amended by changing
11 Section 45 as follows:

12 (55 ILCS 90/45) (from Ch. 34, par. 8045)

13 Sec. 45. Filing with county clerk; certification of initial
14 equalized assessed value.

15 (a) A county that has by ordinance approved an economic
16 development plan, established an economic development project
17 area, and adopted tax increment allocation financing for that
18 area shall file certified copies of the ordinance or ordinances
19 with the county clerk. Upon receiving the ordinance or
20 ordinances, the county clerk shall immediately determine (i)
21 the most recently ascertained equalized assessed value of each
22 lot, block, tract, or parcel of real property within the
23 economic development project area from which shall be deducted
24 the homestead exemptions provided by Sections 15-170, 15-175,

1 ~~and~~ 15-176, and 15-177 of the Property Tax Code (that value
2 being the "initial equalized assessed value" of each such piece
3 of property) and (ii) the total equalized assessed value of all
4 taxable real property within the economic development project
5 area by adding together the most recently ascertained equalized
6 assessed value of each taxable lot, block, tract, or parcel of
7 real property within the economic development project area,
8 from which shall be deducted the homestead exemptions provided
9 by Sections 15-170, 15-175, and 15-176 of the Property Tax
10 Code, and shall certify that amount as the "total initial
11 equalized assessed value" of the taxable real property within
12 the economic development project area.

13 (b) After the county clerk has certified the "total initial
14 equalized assessed value" of the taxable real property in the
15 economic development project area, then in respect to every
16 taxing district containing an economic development project
17 area, the county clerk or any other official required by law to
18 ascertain the amount of the equalized assessed value of all
19 taxable property within the taxing district for the purpose of
20 computing the rate per cent of tax to be extended upon taxable
21 property within the taxing district shall, in every year that
22 tax increment allocation financing is in effect, ascertain the
23 amount of value of taxable property in an economic development
24 project area by including in that amount the lower of the
25 current equalized assessed value or the certified "total
26 initial equalized assessed value" of all taxable real property

1 in the area. The rate per cent of tax determined shall be
2 extended to the current equalized assessed value of all
3 property in the economic development project area in the same
4 manner as the rate per cent of tax is extended to all other
5 taxable property in the taxing district. The method of
6 extending taxes established under this Section shall terminate
7 when the county adopts an ordinance dissolving the special tax
8 allocation fund for the economic development project area. This
9 Act shall not be construed as relieving property owners within
10 an economic development project area from paying a uniform rate
11 of taxes upon the current equalized assessed value of their
12 taxable property as provided in the Property Tax Code.

13 (Source: P.A. 93-715, eff. 7-12-04.)

14 Section 20. The Illinois Municipal Code is amended by
15 changing Sections 11-74.4-8, 11-74.4-9, and 11-74.6-40 as
16 follows:

17 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

18 Sec. 11-74.4-8. Tax increment allocation financing. A
19 municipality may not adopt tax increment financing in a
20 redevelopment project area after the effective date of this
21 amendatory Act of 1997 that will encompass an area that is
22 currently included in an enterprise zone created under the
23 Illinois Enterprise Zone Act unless that municipality,
24 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,

1 amends the enterprise zone designating ordinance to limit the
2 eligibility for tax abatements as provided in Section 5.4.1 of
3 the Illinois Enterprise Zone Act. A municipality, at the time a
4 redevelopment project area is designated, may adopt tax
5 increment allocation financing by passing an ordinance
6 providing that the ad valorem taxes, if any, arising from the
7 levies upon taxable real property in such redevelopment project
8 area by taxing districts and tax rates determined in the manner
9 provided in paragraph (c) of Section 11-74.4-9 each year after
10 the effective date of the ordinance until redevelopment project
11 costs and all municipal obligations financing redevelopment
12 project costs incurred under this Division have been paid shall
13 be divided as follows:

14 (a) That portion of taxes levied upon each taxable lot,
15 block, tract or parcel of real property which is attributable
16 to the lower of the current equalized assessed value or the
17 initial equalized assessed value of each such taxable lot,
18 block, tract or parcel of real property in the redevelopment
19 project area shall be allocated to and when collected shall be
20 paid by the county collector to the respective affected taxing
21 districts in the manner required by law in the absence of the
22 adoption of tax increment allocation financing.

23 (b) Except from a tax levied by a township to retire bonds
24 issued to satisfy court-ordered damages, that portion, if any,
25 of such taxes which is attributable to the increase in the
26 current equalized assessed valuation of each taxable lot,

1 block, tract or parcel of real property in the redevelopment
2 project area over and above the initial equalized assessed
3 value of each property in the project area shall be allocated
4 to and when collected shall be paid to the municipal treasurer
5 who shall deposit said taxes into a special fund called the
6 special tax allocation fund of the municipality for the purpose
7 of paying redevelopment project costs and obligations incurred
8 in the payment thereof. In any county with a population of
9 3,000,000 or more that has adopted a procedure for collecting
10 taxes that provides for one or more of the installments of the
11 taxes to be billed and collected on an estimated basis, the
12 municipal treasurer shall be paid for deposit in the special
13 tax allocation fund of the municipality, from the taxes
14 collected from estimated bills issued for property in the
15 redevelopment project area, the difference between the amount
16 actually collected from each taxable lot, block, tract, or
17 parcel of real property within the redevelopment project area
18 and an amount determined by multiplying the rate at which taxes
19 were last extended against the taxable lot, block, track, or
20 parcel of real property in the manner provided in subsection
21 (c) of Section 11-74.4-9 by the initial equalized assessed
22 value of the property divided by the number of installments in
23 which real estate taxes are billed and collected within the
24 county; provided that the payments on or before December 31,
25 1999 to a municipal treasurer shall be made only if each of the
26 following conditions are met:

1 (1) The total equalized assessed value of the
2 redevelopment project area as last determined was not less
3 than 175% of the total initial equalized assessed value.

4 (2) Not more than 50% of the total equalized assessed
5 value of the redevelopment project area as last determined
6 is attributable to a piece of property assigned a single
7 real estate index number.

8 (3) The municipal clerk has certified to the county
9 clerk that the municipality has issued its obligations to
10 which there has been pledged the incremental property taxes
11 of the redevelopment project area or taxes levied and
12 collected on any or all property in the municipality or the
13 full faith and credit of the municipality to pay or secure
14 payment for all or a portion of the redevelopment project
15 costs. The certification shall be filed annually no later
16 than September 1 for the estimated taxes to be distributed
17 in the following year; however, for the year 1992 the
18 certification shall be made at any time on or before March
19 31, 1992.

20 (4) The municipality has not requested that the total
21 initial equalized assessed value of real property be
22 adjusted as provided in subsection (b) of Section
23 11-74.4-9.

24 The conditions of paragraphs (1) through (4) do not apply
25 after December 31, 1999 to payments to a municipal treasurer
26 made by a county with 3,000,000 or more inhabitants that has

1 adopted an estimated billing procedure for collecting taxes. If
2 a county that has adopted the estimated billing procedure makes
3 an erroneous overpayment of tax revenue to the municipal
4 treasurer, then the county may seek a refund of that
5 overpayment. The county shall send the municipal treasurer a
6 notice of liability for the overpayment on or before the
7 mailing date of the next real estate tax bill within the
8 county. The refund shall be limited to the amount of the
9 overpayment.

10 It is the intent of this Division that after the effective
11 date of this amendatory Act of 1988 a municipality's own ad
12 valorem tax arising from levies on taxable real property be
13 included in the determination of incremental revenue in the
14 manner provided in paragraph (c) of Section 11-74.4-9. If the
15 municipality does not extend such a tax, it shall annually
16 deposit in the municipality's Special Tax Increment Fund an
17 amount equal to 10% of the total contributions to the fund from
18 all other taxing districts in that year. The annual 10% deposit
19 required by this paragraph shall be limited to the actual
20 amount of municipally produced incremental tax revenues
21 available to the municipality from taxpayers located in the
22 redevelopment project area in that year if: (a) the plan for
23 the area restricts the use of the property primarily to
24 industrial purposes, (b) the municipality establishing the
25 redevelopment project area is a home-rule community with a 1990
26 population of between 25,000 and 50,000, (c) the municipality

1 is wholly located within a county with a 1990 population of
2 over 750,000 and (d) the redevelopment project area was
3 established by the municipality prior to June 1, 1990. This
4 payment shall be in lieu of a contribution of ad valorem taxes
5 on real property. If no such payment is made, any redevelopment
6 project area of the municipality shall be dissolved.

7 If a municipality has adopted tax increment allocation
8 financing by ordinance and the County Clerk thereafter
9 certifies the "total initial equalized assessed value as
10 adjusted" of the taxable real property within such
11 redevelopment project area in the manner provided in paragraph
12 (b) of Section 11-74.4-9, each year after the date of the
13 certification of the total initial equalized assessed value as
14 adjusted until redevelopment project costs and all municipal
15 obligations financing redevelopment project costs have been
16 paid the ad valorem taxes, if any, arising from the levies upon
17 the taxable real property in such redevelopment project area by
18 taxing districts and tax rates determined in the manner
19 provided in paragraph (c) of Section 11-74.4-9 shall be divided
20 as follows:

21 (1) That portion of the taxes levied upon each taxable
22 lot, block, tract or parcel of real property which is
23 attributable to the lower of the current equalized assessed
24 value or "current equalized assessed value as adjusted" or
25 the initial equalized assessed value of each such taxable
26 lot, block, tract, or parcel of real property existing at

1 the time tax increment financing was adopted, minus the
2 total current homestead exemptions provided by Sections
3 15-170, 15-175, ~~and 15-176,~~ and 15-177 of the Property Tax
4 Code in the redevelopment project area shall be allocated
5 to and when collected shall be paid by the county collector
6 to the respective affected taxing districts in the manner
7 required by law in the absence of the adoption of tax
8 increment allocation financing.

9 (2) That portion, if any, of such taxes which is
10 attributable to the increase in the current equalized
11 assessed valuation of each taxable lot, block, tract, or
12 parcel of real property in the redevelopment project area,
13 over and above the initial equalized assessed value of each
14 property existing at the time tax increment financing was
15 adopted, minus the total current homestead exemptions
16 pertaining to each piece of property provided by Sections
17 15-170, 15-175, ~~and 15-176,~~ and 15-177 of the Property Tax
18 Code in the redevelopment project area, shall be allocated
19 to and when collected shall be paid to the municipal
20 Treasurer, who shall deposit said taxes into a special fund
21 called the special tax allocation fund of the municipality
22 for the purpose of paying redevelopment project costs and
23 obligations incurred in the payment thereof.

24 The municipality may pledge in the ordinance the funds in
25 and to be deposited in the special tax allocation fund for the
26 payment of such costs and obligations. No part of the current

1 equalized assessed valuation of each property in the
2 redevelopment project area attributable to any increase above
3 the total initial equalized assessed value, or the total
4 initial equalized assessed value as adjusted, of such
5 properties shall be used in calculating the general State
6 school aid formula, provided for in Section 18-8 of the School
7 Code, until such time as all redevelopment project costs have
8 been paid as provided for in this Section.

9 Whenever a municipality issues bonds for the purpose of
10 financing redevelopment project costs, such municipality may
11 provide by ordinance for the appointment of a trustee, which
12 may be any trust company within the State, and for the
13 establishment of such funds or accounts to be maintained by
14 such trustee as the municipality shall deem necessary to
15 provide for the security and payment of the bonds. If such
16 municipality provides for the appointment of a trustee, such
17 trustee shall be considered the assignee of any payments
18 assigned by the municipality pursuant to such ordinance and
19 this Section. Any amounts paid to such trustee as assignee
20 shall be deposited in the funds or accounts established
21 pursuant to such trust agreement, and shall be held by such
22 trustee in trust for the benefit of the holders of the bonds,
23 and such holders shall have a lien on and a security interest
24 in such funds or accounts so long as the bonds remain
25 outstanding and unpaid. Upon retirement of the bonds, the
26 trustee shall pay over any excess amounts held to the

1 municipality for deposit in the special tax allocation fund.

2 When such redevelopment projects costs, including without
3 limitation all municipal obligations financing redevelopment
4 project costs incurred under this Division, have been paid, all
5 surplus funds then remaining in the special tax allocation fund
6 shall be distributed by being paid by the municipal treasurer
7 to the Department of Revenue, the municipality and the county
8 collector; first to the Department of Revenue and the
9 municipality in direct proportion to the tax incremental
10 revenue received from the State and the municipality, but not
11 to exceed the total incremental revenue received from the State
12 or the municipality less any annual surplus distribution of
13 incremental revenue previously made; with any remaining funds
14 to be paid to the County Collector who shall immediately
15 thereafter pay said funds to the taxing districts in the
16 redevelopment project area in the same manner and proportion as
17 the most recent distribution by the county collector to the
18 affected districts of real property taxes from real property in
19 the redevelopment project area.

20 Upon the payment of all redevelopment project costs, the
21 retirement of obligations, the distribution of any excess
22 monies pursuant to this Section, and final closing of the books
23 and records of the redevelopment project area, the municipality
24 shall adopt an ordinance dissolving the special tax allocation
25 fund for the redevelopment project area and terminating the
26 designation of the redevelopment project area as a

1 redevelopment project area. Title to real or personal property
2 and public improvements acquired by or for the municipality as
3 a result of the redevelopment project and plan shall vest in
4 the municipality when acquired and shall continue to be held by
5 the municipality after the redevelopment project area has been
6 terminated. Municipalities shall notify affected taxing
7 districts prior to November 1 if the redevelopment project area
8 is to be terminated by December 31 of that same year. If a
9 municipality extends estimated dates of completion of a
10 redevelopment project and retirement of obligations to finance
11 a redevelopment project, as allowed by this amendatory Act of
12 1993, that extension shall not extend the property tax
13 increment allocation financing authorized by this Section.
14 Thereafter the rates of the taxing districts shall be extended
15 and taxes levied, collected and distributed in the manner
16 applicable in the absence of the adoption of tax increment
17 allocation financing.

18 Nothing in this Section shall be construed as relieving
19 property in such redevelopment project areas from being
20 assessed as provided in the Property Tax Code or as relieving
21 owners of such property from paying a uniform rate of taxes, as
22 required by Section 4 of Article 9 of the Illinois
23 Constitution.

24 (Source: P.A. 92-16, eff. 6-28-01; 93-298, eff. 7-23-03;
25 93-715, eff. 7-12-04.)

1 (65 ILCS 5/11-74.4-9) (from Ch. 24, par. 11-74.4-9)

2 Sec. 11-74.4-9. Equalized assessed value of property.

3 (a) If a municipality by ordinance provides for tax
4 increment allocation financing pursuant to Section 11-74.4-8,
5 the county clerk immediately thereafter shall determine (1) the
6 most recently ascertained equalized assessed value of each lot,
7 block, tract or parcel of real property within such
8 redevelopment project area from which shall be deducted the
9 homestead exemptions provided by Sections 15-170, 15-175, ~~and~~
10 15-176, and 15-177 of the Property Tax Code, which value shall
11 be the "initial equalized assessed value" of each such piece of
12 property, and (2) the total equalized assessed value of all
13 taxable real property within such redevelopment project area by
14 adding together the most recently ascertained equalized
15 assessed value of each taxable lot, block, tract, or parcel of
16 real property within such project area, from which shall be
17 deducted the homestead exemptions provided by Sections 15-170,
18 15-175, and 15-176 of the Property Tax Code, and shall certify
19 such amount as the "total initial equalized assessed value" of
20 the taxable real property within such project area.

21 (b) In reference to any municipality which has adopted tax
22 increment financing after January 1, 1978, and in respect to
23 which the county clerk has certified the "total initial
24 equalized assessed value" of the property in the redevelopment
25 area, the municipality may thereafter request the clerk in
26 writing to adjust the initial equalized value of all taxable

1 real property within the redevelopment project area by
2 deducting therefrom the exemptions provided for by Sections
3 15-170, 15-175, ~~and 15-176,~~ and 15-177 of the Property Tax Code
4 applicable to each lot, block, tract or parcel of real property
5 within such redevelopment project area. The county clerk shall
6 immediately after the written request to adjust the total
7 initial equalized value is received determine the total
8 homestead exemptions in the redevelopment project area
9 provided by Sections 15-170, 15-175, and 15-176 of the Property
10 Tax Code by adding together the homestead exemptions provided
11 by said Sections on each lot, block, tract or parcel of real
12 property within such redevelopment project area and then shall
13 deduct the total of said exemptions from the total initial
14 equalized assessed value. The county clerk shall then promptly
15 certify such amount as the "total initial equalized assessed
16 value as adjusted" of the taxable real property within such
17 redevelopment project area.

18 (c) After the county clerk has certified the "total initial
19 equalized assessed value" of the taxable real property in such
20 area, then in respect to every taxing district containing a
21 redevelopment project area, the county clerk or any other
22 official required by law to ascertain the amount of the
23 equalized assessed value of all taxable property within such
24 district for the purpose of computing the rate per cent of tax
25 to be extended upon taxable property within such district,
26 shall in every year that tax increment allocation financing is

1 in effect ascertain the amount of value of taxable property in
2 a redevelopment project area by including in such amount the
3 lower of the current equalized assessed value or the certified
4 "total initial equalized assessed value" of all taxable real
5 property in such area, except that after he has certified the
6 "total initial equalized assessed value as adjusted" he shall
7 in the year of said certification if tax rates have not been
8 extended and in every year thereafter that tax increment
9 allocation financing is in effect ascertain the amount of value
10 of taxable property in a redevelopment project area by
11 including in such amount the lower of the current equalized
12 assessed value or the certified "total initial equalized
13 assessed value as adjusted" of all taxable real property in
14 such area. The rate per cent of tax determined shall be
15 extended to the current equalized assessed value of all
16 property in the redevelopment project area in the same manner
17 as the rate per cent of tax is extended to all other taxable
18 property in the taxing district. The method of extending taxes
19 established under this Section shall terminate when the
20 municipality adopts an ordinance dissolving the special tax
21 allocation fund for the redevelopment project area. This
22 Division shall not be construed as relieving property owners
23 within a redevelopment project area from paying a uniform rate
24 of taxes upon the current equalized assessed value of their
25 taxable property as provided in the Property Tax Code.

26 (Source: P.A. 93-715, eff. 7-12-04.)

1 (65 ILCS 5/11-74.6-40)

2 Sec. 11-74.6-40. Equalized assessed value determination;
3 property tax extension.

4 (a) If a municipality by ordinance provides for tax
5 increment allocation financing under Section 11-74.6-35, the
6 county clerk immediately thereafter:

7 (1) shall determine the initial equalized assessed
8 value of each parcel of real property in the redevelopment
9 project area, which is the most recently established
10 equalized assessed value of each lot, block, tract or
11 parcel of taxable real property within the redevelopment
12 project area, minus the homestead exemptions provided by
13 Sections 15-170, 15-175, ~~and~~ 15-176, and 15-177 of the
14 Property Tax Code; and

15 (2) shall certify to the municipality the total initial
16 equalized assessed value of all taxable real property
17 within the redevelopment project area.

18 (b) Any municipality that has established a vacant
19 industrial buildings conservation area may, by ordinance
20 passed after the adoption of tax increment allocation
21 financing, provide that the county clerk immediately
22 thereafter shall again determine:

23 (1) the updated initial equalized assessed value of
24 each lot, block, tract or parcel of real property, which is
25 the most recently ascertained equalized assessed value of

1 each lot, block, tract or parcel of real property within
2 the vacant industrial buildings conservation area; and

3 (2) the total updated initial equalized assessed value
4 of all taxable real property within the redevelopment
5 project area, which is the total of the updated initial
6 equalized assessed value of all taxable real property
7 within the vacant industrial buildings conservation area.

8 The county clerk shall certify to the municipality the
9 total updated initial equalized assessed value of all taxable
10 real property within the industrial buildings conservation
11 area.

12 (c) After the county clerk has certified the total initial
13 equalized assessed value or the total updated initial equalized
14 assessed value of the taxable real property in the area, for
15 each taxing district in which a redevelopment project area is
16 situated, the county clerk or any other official required by
17 law to determine the amount of the equalized assessed value of
18 all taxable property within the district for the purpose of
19 computing the percentage rate of tax to be extended upon
20 taxable property within the district, shall in every year that
21 tax increment allocation financing is in effect determine the
22 total equalized assessed value of taxable property in a
23 redevelopment project area by including in that amount the
24 lower of the current equalized assessed value or the certified
25 total initial equalized assessed value or, if the total of
26 updated equalized assessed value has been certified, the total

1 updated initial equalized assessed value of all taxable real
2 property in the redevelopment project area. After he has
3 certified the total initial equalized assessed value he shall
4 in the year of that certification, if tax rates have not been
5 extended, and in every subsequent year that tax increment
6 allocation financing is in effect, determine the amount of
7 equalized assessed value of taxable property in a redevelopment
8 project area by including in that amount the lower of the
9 current total equalized assessed value or the certified total
10 initial equalized assessed value or, if the total of updated
11 initial equalized assessed values have been certified, the
12 total updated initial equalized assessed value of all taxable
13 real property in the redevelopment project area.

14 (d) The percentage rate of tax determined shall be extended
15 on the current equalized assessed value of all property in the
16 redevelopment project area in the same manner as the rate per
17 cent of tax is extended to all other taxable property in the
18 taxing district. The method of extending taxes established
19 under this Section shall terminate when the municipality adopts
20 an ordinance dissolving the special tax allocation fund for the
21 redevelopment project area. This Law shall not be construed as
22 relieving property owners within a redevelopment project area
23 from paying a uniform rate of taxes upon the current equalized
24 assessed value of their taxable property as provided in the
25 Property Tax Code.

26 (Source: P.A. 93-715, eff. 7-12-04.)

1 Section 25. The Economic Development Project Area Tax
2 Increment Allocation Act of 1995 is amended by changing Section
3 45 as follows:

4 (65 ILCS 110/45)

5 Sec. 45. Filing with county clerk; certification of initial
6 equalized assessed value.

7 (a) A municipality that has by ordinance approved an
8 economic development plan, established an economic development
9 project area, and adopted tax increment allocation financing
10 for that area shall file certified copies of the ordinance or
11 ordinances with the county clerk. Upon receiving the ordinance
12 or ordinances, the county clerk shall immediately determine (i)
13 the most recently ascertained equalized assessed value of each
14 lot, block, tract, or parcel of real property within the
15 economic development project area from which shall be deducted
16 the homestead exemptions provided by Sections 15-170, 15-175,
17 ~~and 15-176,~~ and 15-177 of the Property Tax Code (that value
18 being the "initial equalized assessed value" of each such piece
19 of property) and (ii) the total equalized assessed value of all
20 taxable real property within the economic development project
21 area by adding together the most recently ascertained equalized
22 assessed value of each taxable lot, block, tract, or parcel of
23 real property within the economic development project area,
24 from which shall be deducted the homestead exemptions provided

1 by Sections 15-170, 15-175, and 15-176 of the Property Tax
2 Code, and shall certify that amount as the "total initial
3 equalized assessed value" of the taxable real property within
4 the economic development project area.

5 (b) After the county clerk has certified the "total initial
6 equalized assessed value" of the taxable real property in the
7 economic development project area, then in respect to every
8 taxing district containing an economic development project
9 area, the county clerk or any other official required by law to
10 ascertain the amount of the equalized assessed value of all
11 taxable property within the taxing district for the purpose of
12 computing the rate per cent of tax to be extended upon taxable
13 property within the taxing district shall, in every year that
14 tax increment allocation financing is in effect, ascertain the
15 amount of value of taxable property in an economic development
16 project area by including in that amount the lower of the
17 current equalized assessed value or the certified "total
18 initial equalized assessed value" of all taxable real property
19 in the area. The rate per cent of tax determined shall be
20 extended to the current equalized assessed value of all
21 property in the economic development project area in the same
22 manner as the rate per cent of tax is extended to all other
23 taxable property in the taxing district. The method of
24 extending taxes established under this Section shall terminate
25 when the municipality adopts an ordinance dissolving the
26 special tax allocation fund for the economic development

1 project area. This Act shall not be construed as relieving
2 owners or lessees of property within an economic development
3 project area from paying a uniform rate of taxes upon the
4 current equalized assessed value of their taxable property as
5 provided in the Property Tax Code.

6 (Source: P.A. 93-715, eff. 7-12-04.)

7 Section 30. The School Code is amended by changing Section
8 18-8.05 as follows:

9 (105 ILCS 5/18-8.05)

10 Sec. 18-8.05. Basis for apportionment of general State
11 financial aid and supplemental general State aid to the common
12 schools for the 1998-1999 and subsequent school years.

13 (A) General Provisions.

14 (1) The provisions of this Section apply to the 1998-1999
15 and subsequent school years. The system of general State
16 financial aid provided for in this Section is designed to
17 assure that, through a combination of State financial aid and
18 required local resources, the financial support provided each
19 pupil in Average Daily Attendance equals or exceeds a
20 prescribed per pupil Foundation Level. This formula approach
21 imputes a level of per pupil Available Local Resources and
22 provides for the basis to calculate a per pupil level of
23 general State financial aid that, when added to Available Local

1 Resources, equals or exceeds the Foundation Level. The amount
2 of per pupil general State financial aid for school districts,
3 in general, varies in inverse relation to Available Local
4 Resources. Per pupil amounts are based upon each school
5 district's Average Daily Attendance as that term is defined in
6 this Section.

7 (2) In addition to general State financial aid, school
8 districts with specified levels or concentrations of pupils
9 from low income households are eligible to receive supplemental
10 general State financial aid grants as provided pursuant to
11 subsection (H). The supplemental State aid grants provided for
12 school districts under subsection (H) shall be appropriated for
13 distribution to school districts as part of the same line item
14 in which the general State financial aid of school districts is
15 appropriated under this Section.

16 (3) To receive financial assistance under this Section,
17 school districts are required to file claims with the State
18 Board of Education, subject to the following requirements:

19 (a) Any school district which fails for any given
20 school year to maintain school as required by law, or to
21 maintain a recognized school is not eligible to file for
22 such school year any claim upon the Common School Fund. In
23 case of nonrecognition of one or more attendance centers in
24 a school district otherwise operating recognized schools,
25 the claim of the district shall be reduced in the
26 proportion which the Average Daily Attendance in the

1 attendance center or centers bear to the Average Daily
2 Attendance in the school district. A "recognized school"
3 means any public school which meets the standards as
4 established for recognition by the State Board of
5 Education. A school district or attendance center not
6 having recognition status at the end of a school term is
7 entitled to receive State aid payments due upon a legal
8 claim which was filed while it was recognized.

9 (b) School district claims filed under this Section are
10 subject to Sections 18-9, 18-10, and 18-12, except as
11 otherwise provided in this Section.

12 (c) If a school district operates a full year school
13 under Section 10-19.1, the general State aid to the school
14 district shall be determined by the State Board of
15 Education in accordance with this Section as near as may be
16 applicable.

17 (d) (Blank).

18 (4) Except as provided in subsections (H) and (L), the
19 board of any district receiving any of the grants provided for
20 in this Section may apply those funds to any fund so received
21 for which that board is authorized to make expenditures by law.

22 School districts are not required to exert a minimum
23 Operating Tax Rate in order to qualify for assistance under
24 this Section.

25 (5) As used in this Section the following terms, when
26 capitalized, shall have the meaning ascribed herein:

1 (a) "Average Daily Attendance": A count of pupil
2 attendance in school, averaged as provided for in
3 subsection (C) and utilized in deriving per pupil financial
4 support levels.

5 (b) "Available Local Resources": A computation of
6 local financial support, calculated on the basis of Average
7 Daily Attendance and derived as provided pursuant to
8 subsection (D).

9 (c) "Corporate Personal Property Replacement Taxes":
10 Funds paid to local school districts pursuant to "An Act in
11 relation to the abolition of ad valorem personal property
12 tax and the replacement of revenues lost thereby, and
13 amending and repealing certain Acts and parts of Acts in
14 connection therewith", certified August 14, 1979, as
15 amended (Public Act 81-1st S.S.-1).

16 (d) "Foundation Level": A prescribed level of per pupil
17 financial support as provided for in subsection (B).

18 (e) "Operating Tax Rate": All school district property
19 taxes extended for all purposes, except Bond and Interest,
20 Summer School, Rent, Capital Improvement, and Vocational
21 Education Building purposes.

22 (B) Foundation Level.

23 (1) The Foundation Level is a figure established by the
24 State representing the minimum level of per pupil financial
25 support that should be available to provide for the basic

1 education of each pupil in Average Daily Attendance. As set
2 forth in this Section, each school district is assumed to exert
3 a sufficient local taxing effort such that, in combination with
4 the aggregate of general State financial aid provided the
5 district, an aggregate of State and local resources are
6 available to meet the basic education needs of pupils in the
7 district.

8 (2) For the 1998-1999 school year, the Foundation Level of
9 support is \$4,225. For the 1999-2000 school year, the
10 Foundation Level of support is \$4,325. For the 2000-2001 school
11 year, the Foundation Level of support is \$4,425. For the
12 2001-2002 school year and 2002-2003 school year, the Foundation
13 Level of support is \$4,560. For the 2003-2004 school year, the
14 Foundation Level of support is \$4,810. For the 2004-2005 school
15 year, the Foundation Level of support is \$4,964. For the
16 2005-2006 school year, the Foundation Level of support is
17 \$5,164.

18 (3) For the 2006-2007 school year and each school year
19 thereafter, the Foundation Level of support is \$5,334 or such
20 greater amount as may be established by law by the General
21 Assembly.

22 (C) Average Daily Attendance.

23 (1) For purposes of calculating general State aid pursuant
24 to subsection (E), an Average Daily Attendance figure shall be
25 utilized. The Average Daily Attendance figure for formula

1 calculation purposes shall be the monthly average of the actual
2 number of pupils in attendance of each school district, as
3 further averaged for the best 3 months of pupil attendance for
4 each school district. In compiling the figures for the number
5 of pupils in attendance, school districts and the State Board
6 of Education shall, for purposes of general State aid funding,
7 conform attendance figures to the requirements of subsection
8 (F).

9 (2) The Average Daily Attendance figures utilized in
10 subsection (E) shall be the requisite attendance data for the
11 school year immediately preceding the school year for which
12 general State aid is being calculated or the average of the
13 attendance data for the 3 preceding school years, whichever is
14 greater. The Average Daily Attendance figures utilized in
15 subsection (H) shall be the requisite attendance data for the
16 school year immediately preceding the school year for which
17 general State aid is being calculated.

18 (D) Available Local Resources.

19 (1) For purposes of calculating general State aid pursuant
20 to subsection (E), a representation of Available Local
21 Resources per pupil, as that term is defined and determined in
22 this subsection, shall be utilized. Available Local Resources
23 per pupil shall include a calculated dollar amount representing
24 local school district revenues from local property taxes and
25 from Corporate Personal Property Replacement Taxes, expressed

1 on the basis of pupils in Average Daily Attendance. Calculation
2 of Available Local Resources shall exclude any tax amnesty
3 funds received as a result of Public Act 93-26.

4 (2) In determining a school district's revenue from local
5 property taxes, the State Board of Education shall utilize the
6 equalized assessed valuation of all taxable property of each
7 school district as of September 30 of the previous year. The
8 equalized assessed valuation utilized shall be obtained and
9 determined as provided in subsection (G).

10 (3) For school districts maintaining grades kindergarten
11 through 12, local property tax revenues per pupil shall be
12 calculated as the product of the applicable equalized assessed
13 valuation for the district multiplied by 3.00%, and divided by
14 the district's Average Daily Attendance figure. For school
15 districts maintaining grades kindergarten through 8, local
16 property tax revenues per pupil shall be calculated as the
17 product of the applicable equalized assessed valuation for the
18 district multiplied by 2.30%, and divided by the district's
19 Average Daily Attendance figure. For school districts
20 maintaining grades 9 through 12, local property tax revenues
21 per pupil shall be the applicable equalized assessed valuation
22 of the district multiplied by 1.05%, and divided by the
23 district's Average Daily Attendance figure.

24 For partial elementary unit districts created pursuant to
25 Article 11E of this Code, local property tax revenues per pupil
26 shall be calculated as the product of the equalized assessed

1 valuation for property within the elementary and high school
2 classification of the partial elementary unit district
3 multiplied by 2.06% and divided by the Average Daily Attendance
4 figure for grades kindergarten through 8, plus the product of
5 the equalized assessed valuation for property within the high
6 school only classification of the partial elementary unit
7 district multiplied by 0.94% and divided by the Average Daily
8 Attendance figure for grades 9 through 12.

9 (4) The Corporate Personal Property Replacement Taxes paid
10 to each school district during the calendar year 2 years before
11 the calendar year in which a school year begins, divided by the
12 Average Daily Attendance figure for that district, shall be
13 added to the local property tax revenues per pupil as derived
14 by the application of the immediately preceding paragraph (3).
15 The sum of these per pupil figures for each school district
16 shall constitute Available Local Resources as that term is
17 utilized in subsection (E) in the calculation of general State
18 aid.

19 (E) Computation of General State Aid.

20 (1) For each school year, the amount of general State aid
21 allotted to a school district shall be computed by the State
22 Board of Education as provided in this subsection.

23 (2) For any school district for which Available Local
24 Resources per pupil is less than the product of 0.93 times the
25 Foundation Level, general State aid for that district shall be

1 calculated as an amount equal to the Foundation Level minus
2 Available Local Resources, multiplied by the Average Daily
3 Attendance of the school district.

4 (3) For any school district for which Available Local
5 Resources per pupil is equal to or greater than the product of
6 0.93 times the Foundation Level and less than the product of
7 1.75 times the Foundation Level, the general State aid per
8 pupil shall be a decimal proportion of the Foundation Level
9 derived using a linear algorithm. Under this linear algorithm,
10 the calculated general State aid per pupil shall decline in
11 direct linear fashion from 0.07 times the Foundation Level for
12 a school district with Available Local Resources equal to the
13 product of 0.93 times the Foundation Level, to 0.05 times the
14 Foundation Level for a school district with Available Local
15 Resources equal to the product of 1.75 times the Foundation
16 Level. The allocation of general State aid for school districts
17 subject to this paragraph 3 shall be the calculated general
18 State aid per pupil figure multiplied by the Average Daily
19 Attendance of the school district.

20 (4) For any school district for which Available Local
21 Resources per pupil equals or exceeds the product of 1.75 times
22 the Foundation Level, the general State aid for the school
23 district shall be calculated as the product of \$218 multiplied
24 by the Average Daily Attendance of the school district.

25 (5) The amount of general State aid allocated to a school
26 district for the 1999-2000 school year meeting the requirements

1 set forth in paragraph (4) of subsection (G) shall be increased
2 by an amount equal to the general State aid that would have
3 been received by the district for the 1998-1999 school year by
4 utilizing the Extension Limitation Equalized Assessed
5 Valuation as calculated in paragraph (4) of subsection (G) less
6 the general State aid allotted for the 1998-1999 school year.
7 This amount shall be deemed a one time increase, and shall not
8 affect any future general State aid allocations.

9 (F) Compilation of Average Daily Attendance.

10 (1) Each school district shall, by July 1 of each year,
11 submit to the State Board of Education, on forms prescribed by
12 the State Board of Education, attendance figures for the school
13 year that began in the preceding calendar year. The attendance
14 information so transmitted shall identify the average daily
15 attendance figures for each month of the school year. Beginning
16 with the general State aid claim form for the 2002-2003 school
17 year, districts shall calculate Average Daily Attendance as
18 provided in subdivisions (a), (b), and (c) of this paragraph
19 (1).

20 (a) In districts that do not hold year-round classes,
21 days of attendance in August shall be added to the month of
22 September and any days of attendance in June shall be added
23 to the month of May.

24 (b) In districts in which all buildings hold year-round
25 classes, days of attendance in July and August shall be

1 added to the month of September and any days of attendance
2 in June shall be added to the month of May.

3 (c) In districts in which some buildings, but not all,
4 hold year-round classes, for the non-year-round buildings,
5 days of attendance in August shall be added to the month of
6 September and any days of attendance in June shall be added
7 to the month of May. The average daily attendance for the
8 year-round buildings shall be computed as provided in
9 subdivision (b) of this paragraph (1). To calculate the
10 Average Daily Attendance for the district, the average
11 daily attendance for the year-round buildings shall be
12 multiplied by the days in session for the non-year-round
13 buildings for each month and added to the monthly
14 attendance of the non-year-round buildings.

15 Except as otherwise provided in this Section, days of
16 attendance by pupils shall be counted only for sessions of not
17 less than 5 clock hours of school work per day under direct
18 supervision of: (i) teachers, or (ii) non-teaching personnel or
19 volunteer personnel when engaging in non-teaching duties and
20 supervising in those instances specified in subsection (a) of
21 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils
22 of legal school age and in kindergarten and grades 1 through
23 12.

24 Days of attendance by tuition pupils shall be accredited
25 only to the districts that pay the tuition to a recognized
26 school.

1 (2) Days of attendance by pupils of less than 5 clock hours
2 of school shall be subject to the following provisions in the
3 compilation of Average Daily Attendance.

4 (a) Pupils regularly enrolled in a public school for
5 only a part of the school day may be counted on the basis
6 of 1/6 day for every class hour of instruction of 40
7 minutes or more attended pursuant to such enrollment,
8 unless a pupil is enrolled in a block-schedule format of 80
9 minutes or more of instruction, in which case the pupil may
10 be counted on the basis of the proportion of minutes of
11 school work completed each day to the minimum number of
12 minutes that school work is required to be held that day.

13 (b) Days of attendance may be less than 5 clock hours
14 on the opening and closing of the school term, and upon the
15 first day of pupil attendance, if preceded by a day or days
16 utilized as an institute or teachers' workshop.

17 (c) A session of 4 or more clock hours may be counted
18 as a day of attendance upon certification by the regional
19 superintendent, and approved by the State Superintendent
20 of Education to the extent that the district has been
21 forced to use daily multiple sessions.

22 (d) A session of 3 or more clock hours may be counted
23 as a day of attendance (1) when the remainder of the school
24 day or at least 2 hours in the evening of that day is
25 utilized for an in-service training program for teachers,
26 up to a maximum of 5 days per school year of which a

1 maximum of 4 days of such 5 days may be used for
2 parent-teacher conferences, provided a district conducts
3 an in-service training program for teachers which has been
4 approved by the State Superintendent of Education; or, in
5 lieu of 4 such days, 2 full days may be used, in which
6 event each such day may be counted as a day of attendance;
7 and (2) when days in addition to those provided in item (1)
8 are scheduled by a school pursuant to its school
9 improvement plan adopted under Article 34 or its revised or
10 amended school improvement plan adopted under Article 2,
11 provided that (i) such sessions of 3 or more clock hours
12 are scheduled to occur at regular intervals, (ii) the
13 remainder of the school days in which such sessions occur
14 are utilized for in-service training programs or other
15 staff development activities for teachers, and (iii) a
16 sufficient number of minutes of school work under the
17 direct supervision of teachers are added to the school days
18 between such regularly scheduled sessions to accumulate
19 not less than the number of minutes by which such sessions
20 of 3 or more clock hours fall short of 5 clock hours. Any
21 full days used for the purposes of this paragraph shall not
22 be considered for computing average daily attendance. Days
23 scheduled for in-service training programs, staff
24 development activities, or parent-teacher conferences may
25 be scheduled separately for different grade levels and
26 different attendance centers of the district.

1 (e) A session of not less than one clock hour of
2 teaching hospitalized or homebound pupils on-site or by
3 telephone to the classroom may be counted as 1/2 day of
4 attendance, however these pupils must receive 4 or more
5 clock hours of instruction to be counted for a full day of
6 attendance.

7 (f) A session of at least 4 clock hours may be counted
8 as a day of attendance for first grade pupils, and pupils
9 in full day kindergartens, and a session of 2 or more hours
10 may be counted as 1/2 day of attendance by pupils in
11 kindergartens which provide only 1/2 day of attendance.

12 (g) For children with disabilities who are below the
13 age of 6 years and who cannot attend 2 or more clock hours
14 because of their disability or immaturity, a session of not
15 less than one clock hour may be counted as 1/2 day of
16 attendance; however for such children whose educational
17 needs so require a session of 4 or more clock hours may be
18 counted as a full day of attendance.

19 (h) A recognized kindergarten which provides for only
20 1/2 day of attendance by each pupil shall not have more
21 than 1/2 day of attendance counted in any one day. However,
22 kindergartens may count 2 1/2 days of attendance in any 5
23 consecutive school days. When a pupil attends such a
24 kindergarten for 2 half days on any one school day, the
25 pupil shall have the following day as a day absent from
26 school, unless the school district obtains permission in

1 writing from the State Superintendent of Education.
2 Attendance at kindergartens which provide for a full day of
3 attendance by each pupil shall be counted the same as
4 attendance by first grade pupils. Only the first year of
5 attendance in one kindergarten shall be counted, except in
6 case of children who entered the kindergarten in their
7 fifth year whose educational development requires a second
8 year of kindergarten as determined under the rules and
9 regulations of the State Board of Education.

10 (i) On the days when the Prairie State Achievement
11 Examination is administered under subsection (c) of
12 Section 2-3.64 of this Code, the day of attendance for a
13 pupil whose school day must be shortened to accommodate
14 required testing procedures may be less than 5 clock hours
15 and shall be counted towards the 176 days of actual pupil
16 attendance required under Section 10-19 of this Code,
17 provided that a sufficient number of minutes of school work
18 in excess of 5 clock hours are first completed on other
19 school days to compensate for the loss of school work on
20 the examination days.

21 (G) Equalized Assessed Valuation Data.

22 (1) For purposes of the calculation of Available Local
23 Resources required pursuant to subsection (D), the State Board
24 of Education shall secure from the Department of Revenue the
25 value as equalized or assessed by the Department of Revenue of

1 all taxable property of every school district, together with
2 (i) the applicable tax rate used in extending taxes for the
3 funds of the district as of September 30 of the previous year
4 and (ii) the limiting rate for all school districts subject to
5 property tax extension limitations as imposed under the
6 Property Tax Extension Limitation Law.

7 The Department of Revenue shall add to the equalized
8 assessed value of all taxable property of each school district
9 situated entirely or partially within a county that is or was
10 subject to the alternative general homestead exemption or the
11 Cook County homestead exemption provisions of Section 15-176 or
12 15-177 ~~Section 15-176~~ of the Property Tax Code (a) an amount
13 equal to the total amount by which the homestead exemption
14 allowed under Section 15-176 or 15-177 ~~Section 15-176~~ of the
15 Property Tax Code for real property situated in that school
16 district exceeds the total amount that would have been allowed
17 in that school district if the maximum reduction under Section
18 15-176 was (i) \$4,500 in Cook County or \$3,500 in all other
19 counties in tax year 2003 or (ii) \$5,000 in all counties in tax
20 year 2004 and thereafter and (b) an amount equal to the
21 aggregate amount for the taxable year of all additional
22 exemptions under Section 15-175 of the Property Tax Code for
23 owners with a household income of \$30,000 or less. The county
24 clerk of any county that is or was subject to the alternative
25 general homestead exemption or the Cook County homestead
26 exemption provisions of Section 15-176 or 15-177 ~~Section 15-176~~

1 of the Property Tax Code shall annually calculate and certify
2 to the Department of Revenue for each school district all
3 homestead exemption amounts under Section 15-176 or 15-177
4 ~~Section 15-176~~ of the Property Tax Code and all amounts of
5 additional exemptions under Section 15-175 of the Property Tax
6 Code for owners with a household income of \$30,000 or less. It
7 is the intent of this paragraph that if the general homestead
8 exemption for a parcel of property is determined under Section
9 15-176 or 15-177 ~~Section 15-176~~ of the Property Tax Code rather
10 than Section 15-175, then the calculation of Available Local
11 Resources shall not be affected by the difference, if any,
12 between the amount of the general homestead exemption allowed
13 for that parcel of property under Section 15-176 or 15-177
14 ~~Section 15-176~~ of the Property Tax Code and the amount that
15 would have been allowed had the general homestead exemption for
16 that parcel of property been determined under Section 15-175 of
17 the Property Tax Code. It is further the intent of this
18 paragraph that if additional exemptions are allowed under
19 Section 15-175 of the Property Tax Code for owners with a
20 household income of less than \$30,000, then the calculation of
21 Available Local Resources shall not be affected by the
22 difference, if any, because of those additional exemptions.

23 This equalized assessed valuation, as adjusted further by
24 the requirements of this subsection, shall be utilized in the
25 calculation of Available Local Resources.

26 (2) The equalized assessed valuation in paragraph (1) shall

1 be adjusted, as applicable, in the following manner:

2 (a) For the purposes of calculating State aid under
3 this Section, with respect to any part of a school district
4 within a redevelopment project area in respect to which a
5 municipality has adopted tax increment allocation
6 financing pursuant to the Tax Increment Allocation
7 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11
8 of the Illinois Municipal Code or the Industrial Jobs
9 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the
10 Illinois Municipal Code, no part of the current equalized
11 assessed valuation of real property located in any such
12 project area which is attributable to an increase above the
13 total initial equalized assessed valuation of such
14 property shall be used as part of the equalized assessed
15 valuation of the district, until such time as all
16 redevelopment project costs have been paid, as provided in
17 Section 11-74.4-8 of the Tax Increment Allocation
18 Redevelopment Act or in Section 11-74.6-35 of the
19 Industrial Jobs Recovery Law. For the purpose of the
20 equalized assessed valuation of the district, the total
21 initial equalized assessed valuation or the current
22 equalized assessed valuation, whichever is lower, shall be
23 used until such time as all redevelopment project costs
24 have been paid.

25 (b) The real property equalized assessed valuation for
26 a school district shall be adjusted by subtracting from the

1 real property value as equalized or assessed by the
2 Department of Revenue for the district an amount computed
3 by dividing the amount of any abatement of taxes under
4 Section 18-170 of the Property Tax Code by 3.00% for a
5 district maintaining grades kindergarten through 12, by
6 2.30% for a district maintaining grades kindergarten
7 through 8, or by 1.05% for a district maintaining grades 9
8 through 12 and adjusted by an amount computed by dividing
9 the amount of any abatement of taxes under subsection (a)
10 of Section 18-165 of the Property Tax Code by the same
11 percentage rates for district type as specified in this
12 subparagraph (b).

13 (3) For the 1999-2000 school year and each school year
14 thereafter, if a school district meets all of the criteria of
15 this subsection (G) (3), the school district's Available Local
16 Resources shall be calculated under subsection (D) using the
17 district's Extension Limitation Equalized Assessed Valuation
18 as calculated under this subsection (G) (3).

19 For purposes of this subsection (G) (3) the following terms
20 shall have the following meanings:

21 "Budget Year": The school year for which general State
22 aid is calculated and awarded under subsection (E).

23 "Base Tax Year": The property tax levy year used to
24 calculate the Budget Year allocation of general State aid.

25 "Preceding Tax Year": The property tax levy year
26 immediately preceding the Base Tax Year.

1 "Base Tax Year's Tax Extension": The product of the
2 equalized assessed valuation utilized by the County Clerk
3 in the Base Tax Year multiplied by the limiting rate as
4 calculated by the County Clerk and defined in the Property
5 Tax Extension Limitation Law.

6 "Preceding Tax Year's Tax Extension": The product of
7 the equalized assessed valuation utilized by the County
8 Clerk in the Preceding Tax Year multiplied by the Operating
9 Tax Rate as defined in subsection (A).

10 "Extension Limitation Ratio": A numerical ratio,
11 certified by the County Clerk, in which the numerator is
12 the Base Tax Year's Tax Extension and the denominator is
13 the Preceding Tax Year's Tax Extension.

14 "Operating Tax Rate": The operating tax rate as defined
15 in subsection (A).

16 If a school district is subject to property tax extension
17 limitations as imposed under the Property Tax Extension
18 Limitation Law, the State Board of Education shall calculate
19 the Extension Limitation Equalized Assessed Valuation of that
20 district. For the 1999-2000 school year, the Extension
21 Limitation Equalized Assessed Valuation of a school district as
22 calculated by the State Board of Education shall be equal to
23 the product of the district's 1996 Equalized Assessed Valuation
24 and the district's Extension Limitation Ratio. For the
25 2000-2001 school year and each school year thereafter, the
26 Extension Limitation Equalized Assessed Valuation of a school

1 district as calculated by the State Board of Education shall be
2 equal to the product of the Equalized Assessed Valuation last
3 used in the calculation of general State aid and the district's
4 Extension Limitation Ratio. If the Extension Limitation
5 Equalized Assessed Valuation of a school district as calculated
6 under this subsection (G)(3) is less than the district's
7 equalized assessed valuation as calculated pursuant to
8 subsections (G)(1) and (G)(2), then for purposes of calculating
9 the district's general State aid for the Budget Year pursuant
10 to subsection (E), that Extension Limitation Equalized
11 Assessed Valuation shall be utilized to calculate the
12 district's Available Local Resources under subsection (D).

13 Partial elementary unit districts created in accordance
14 with Article 11E of this Code shall not be eligible for the
15 adjustment in this subsection (G)(3) until the fifth year
16 following the effective date of the reorganization.

17 (4) For the purposes of calculating general State aid for
18 the 1999-2000 school year only, if a school district
19 experienced a triennial reassessment on the equalized assessed
20 valuation used in calculating its general State financial aid
21 apportionment for the 1998-1999 school year, the State Board of
22 Education shall calculate the Extension Limitation Equalized
23 Assessed Valuation that would have been used to calculate the
24 district's 1998-1999 general State aid. This amount shall equal
25 the product of the equalized assessed valuation used to
26 calculate general State aid for the 1997-1998 school year and

1 the district's Extension Limitation Ratio. If the Extension
2 Limitation Equalized Assessed Valuation of the school district
3 as calculated under this paragraph (4) is less than the
4 district's equalized assessed valuation utilized in
5 calculating the district's 1998-1999 general State aid
6 allocation, then for purposes of calculating the district's
7 general State aid pursuant to paragraph (5) of subsection (E),
8 that Extension Limitation Equalized Assessed Valuation shall
9 be utilized to calculate the district's Available Local
10 Resources.

11 (5) For school districts having a majority of their
12 equalized assessed valuation in any county except Cook, DuPage,
13 Kane, Lake, McHenry, or Will, if the amount of general State
14 aid allocated to the school district for the 1999-2000 school
15 year under the provisions of subsection (E), (H), and (J) of
16 this Section is less than the amount of general State aid
17 allocated to the district for the 1998-1999 school year under
18 these subsections, then the general State aid of the district
19 for the 1999-2000 school year only shall be increased by the
20 difference between these amounts. The total payments made under
21 this paragraph (5) shall not exceed \$14,000,000. Claims shall
22 be prorated if they exceed \$14,000,000.

23 (H) Supplemental General State Aid.

24 (1) In addition to the general State aid a school district
25 is allotted pursuant to subsection (E), qualifying school

1 districts shall receive a grant, paid in conjunction with a
2 district's payments of general State aid, for supplemental
3 general State aid based upon the concentration level of
4 children from low-income households within the school
5 district. Supplemental State aid grants provided for school
6 districts under this subsection shall be appropriated for
7 distribution to school districts as part of the same line item
8 in which the general State financial aid of school districts is
9 appropriated under this Section. If the appropriation in any
10 fiscal year for general State aid and supplemental general
11 State aid is insufficient to pay the amounts required under the
12 general State aid and supplemental general State aid
13 calculations, then the State Board of Education shall ensure
14 that each school district receives the full amount due for
15 general State aid and the remainder of the appropriation shall
16 be used for supplemental general State aid, which the State
17 Board of Education shall calculate and pay to eligible
18 districts on a prorated basis.

19 (1.5) This paragraph (1.5) applies only to those school
20 years preceding the 2003-2004 school year. For purposes of this
21 subsection (H), the term "Low-Income Concentration Level"
22 shall be the low-income eligible pupil count from the most
23 recently available federal census divided by the Average Daily
24 Attendance of the school district. If, however, (i) the
25 percentage decrease from the 2 most recent federal censuses in
26 the low-income eligible pupil count of a high school district

1 with fewer than 400 students exceeds by 75% or more the
2 percentage change in the total low-income eligible pupil count
3 of contiguous elementary school districts, whose boundaries
4 are coterminous with the high school district, or (ii) a high
5 school district within 2 counties and serving 5 elementary
6 school districts, whose boundaries are coterminous with the
7 high school district, has a percentage decrease from the 2 most
8 recent federal censuses in the low-income eligible pupil count
9 and there is a percentage increase in the total low-income
10 eligible pupil count of a majority of the elementary school
11 districts in excess of 50% from the 2 most recent federal
12 censuses, then the high school district's low-income eligible
13 pupil count from the earlier federal census shall be the number
14 used as the low-income eligible pupil count for the high school
15 district, for purposes of this subsection (H). The changes made
16 to this paragraph (1) by Public Act 92-28 shall apply to
17 supplemental general State aid grants for school years
18 preceding the 2003-2004 school year that are paid in fiscal
19 year 1999 or thereafter and to any State aid payments made in
20 fiscal year 1994 through fiscal year 1998 pursuant to
21 subsection 1(n) of Section 18-8 of this Code (which was
22 repealed on July 1, 1998), and any high school district that is
23 affected by Public Act 92-28 is entitled to a recomputation of
24 its supplemental general State aid grant or State aid paid in
25 any of those fiscal years. This recomputation shall not be
26 affected by any other funding.

1 (1.10) This paragraph (1.10) applies to the 2003-2004
2 school year and each school year thereafter. For purposes of
3 this subsection (H), the term "Low-Income Concentration Level"
4 shall, for each fiscal year, be the low-income eligible pupil
5 count as of July 1 of the immediately preceding fiscal year (as
6 determined by the Department of Human Services based on the
7 number of pupils who are eligible for at least one of the
8 following low income programs: Medicaid, KidCare, TANF, or Food
9 Stamps, excluding pupils who are eligible for services provided
10 by the Department of Children and Family Services, averaged
11 over the 2 immediately preceding fiscal years for fiscal year
12 2004 and over the 3 immediately preceding fiscal years for each
13 fiscal year thereafter) divided by the Average Daily Attendance
14 of the school district.

15 (2) Supplemental general State aid pursuant to this
16 subsection (H) shall be provided as follows for the 1998-1999,
17 1999-2000, and 2000-2001 school years only:

18 (a) For any school district with a Low Income
19 Concentration Level of at least 20% and less than 35%, the
20 grant for any school year shall be \$800 multiplied by the
21 low income eligible pupil count.

22 (b) For any school district with a Low Income
23 Concentration Level of at least 35% and less than 50%, the
24 grant for the 1998-1999 school year shall be \$1,100
25 multiplied by the low income eligible pupil count.

26 (c) For any school district with a Low Income

1 Concentration Level of at least 50% and less than 60%, the
2 grant for the 1998-99 school year shall be \$1,500
3 multiplied by the low income eligible pupil count.

4 (d) For any school district with a Low Income
5 Concentration Level of 60% or more, the grant for the
6 1998-99 school year shall be \$1,900 multiplied by the low
7 income eligible pupil count.

8 (e) For the 1999-2000 school year, the per pupil amount
9 specified in subparagraphs (b), (c), and (d) immediately
10 above shall be increased to \$1,243, \$1,600, and \$2,000,
11 respectively.

12 (f) For the 2000-2001 school year, the per pupil
13 amounts specified in subparagraphs (b), (c), and (d)
14 immediately above shall be \$1,273, \$1,640, and \$2,050,
15 respectively.

16 (2.5) Supplemental general State aid pursuant to this
17 subsection (H) shall be provided as follows for the 2002-2003
18 school year:

19 (a) For any school district with a Low Income
20 Concentration Level of less than 10%, the grant for each
21 school year shall be \$355 multiplied by the low income
22 eligible pupil count.

23 (b) For any school district with a Low Income
24 Concentration Level of at least 10% and less than 20%, the
25 grant for each school year shall be \$675 multiplied by the
26 low income eligible pupil count.

1 (c) For any school district with a Low Income
2 Concentration Level of at least 20% and less than 35%, the
3 grant for each school year shall be \$1,330 multiplied by
4 the low income eligible pupil count.

5 (d) For any school district with a Low Income
6 Concentration Level of at least 35% and less than 50%, the
7 grant for each school year shall be \$1,362 multiplied by
8 the low income eligible pupil count.

9 (e) For any school district with a Low Income
10 Concentration Level of at least 50% and less than 60%, the
11 grant for each school year shall be \$1,680 multiplied by
12 the low income eligible pupil count.

13 (f) For any school district with a Low Income
14 Concentration Level of 60% or more, the grant for each
15 school year shall be \$2,080 multiplied by the low income
16 eligible pupil count.

17 (2.10) Except as otherwise provided, supplemental general
18 State aid pursuant to this subsection (H) shall be provided as
19 follows for the 2003-2004 school year and each school year
20 thereafter:

21 (a) For any school district with a Low Income
22 Concentration Level of 15% or less, the grant for each
23 school year shall be \$355 multiplied by the low income
24 eligible pupil count.

25 (b) For any school district with a Low Income
26 Concentration Level greater than 15%, the grant for each

1 school year shall be \$294.25 added to the product of \$2,700
2 and the square of the Low Income Concentration Level, all
3 multiplied by the low income eligible pupil count.

4 For the 2003-2004 school year, 2004-2005 school year,
5 2005-2006 school year, and 2006-2007 school year only, the
6 grant shall be no less than the grant for the 2002-2003 school
7 year. For the 2007-2008 school year only, the grant shall be no
8 less than the grant for the 2002-2003 school year multiplied by
9 0.66. For the 2008-2009 school year only, the grant shall be no
10 less than the grant for the 2002-2003 school year multiplied by
11 0.33. Notwithstanding the provisions of this paragraph to the
12 contrary, if for any school year supplemental general State aid
13 grants are prorated as provided in paragraph (1) of this
14 subsection (H), then the grants under this paragraph shall be
15 prorated.

16 For the 2003-2004 school year only, the grant shall be no
17 greater than the grant received during the 2002-2003 school
18 year added to the product of 0.25 multiplied by the difference
19 between the grant amount calculated under subsection (a) or (b)
20 of this paragraph (2.10), whichever is applicable, and the
21 grant received during the 2002-2003 school year. For the
22 2004-2005 school year only, the grant shall be no greater than
23 the grant received during the 2002-2003 school year added to
24 the product of 0.50 multiplied by the difference between the
25 grant amount calculated under subsection (a) or (b) of this
26 paragraph (2.10), whichever is applicable, and the grant

1 received during the 2002-2003 school year. For the 2005-2006
2 school year only, the grant shall be no greater than the grant
3 received during the 2002-2003 school year added to the product
4 of 0.75 multiplied by the difference between the grant amount
5 calculated under subsection (a) or (b) of this paragraph
6 (2.10), whichever is applicable, and the grant received during
7 the 2002-2003 school year.

8 (3) School districts with an Average Daily Attendance of
9 more than 1,000 and less than 50,000 that qualify for
10 supplemental general State aid pursuant to this subsection
11 shall submit a plan to the State Board of Education prior to
12 October 30 of each year for the use of the funds resulting from
13 this grant of supplemental general State aid for the
14 improvement of instruction in which priority is given to
15 meeting the education needs of disadvantaged children. Such
16 plan shall be submitted in accordance with rules and
17 regulations promulgated by the State Board of Education.

18 (4) School districts with an Average Daily Attendance of
19 50,000 or more that qualify for supplemental general State aid
20 pursuant to this subsection shall be required to distribute
21 from funds available pursuant to this Section, no less than
22 \$261,000,000 in accordance with the following requirements:

23 (a) The required amounts shall be distributed to the
24 attendance centers within the district in proportion to the
25 number of pupils enrolled at each attendance center who are
26 eligible to receive free or reduced-price lunches or

1 breakfasts under the federal Child Nutrition Act of 1966
2 and under the National School Lunch Act during the
3 immediately preceding school year.

4 (b) The distribution of these portions of supplemental
5 and general State aid among attendance centers according to
6 these requirements shall not be compensated for or
7 contravened by adjustments of the total of other funds
8 appropriated to any attendance centers, and the Board of
9 Education shall utilize funding from one or several sources
10 in order to fully implement this provision annually prior
11 to the opening of school.

12 (c) Each attendance center shall be provided by the
13 school district a distribution of noncategorical funds and
14 other categorical funds to which an attendance center is
15 entitled under law in order that the general State aid and
16 supplemental general State aid provided by application of
17 this subsection supplements rather than supplants the
18 noncategorical funds and other categorical funds provided
19 by the school district to the attendance centers.

20 (d) Any funds made available under this subsection that
21 by reason of the provisions of this subsection are not
22 required to be allocated and provided to attendance centers
23 may be used and appropriated by the board of the district
24 for any lawful school purpose.

25 (e) Funds received by an attendance center pursuant to
26 this subsection shall be used by the attendance center at

1 the discretion of the principal and local school council
2 for programs to improve educational opportunities at
3 qualifying schools through the following programs and
4 services: early childhood education, reduced class size or
5 improved adult to student classroom ratio, enrichment
6 programs, remedial assistance, attendance improvement, and
7 other educationally beneficial expenditures which
8 supplement the regular and basic programs as determined by
9 the State Board of Education. Funds provided shall not be
10 expended for any political or lobbying purposes as defined
11 by board rule.

12 (f) Each district subject to the provisions of this
13 subdivision (H) (4) shall submit an acceptable plan to meet
14 the educational needs of disadvantaged children, in
15 compliance with the requirements of this paragraph, to the
16 State Board of Education prior to July 15 of each year.
17 This plan shall be consistent with the decisions of local
18 school councils concerning the school expenditure plans
19 developed in accordance with part 4 of Section 34-2.3. The
20 State Board shall approve or reject the plan within 60 days
21 after its submission. If the plan is rejected, the district
22 shall give written notice of intent to modify the plan
23 within 15 days of the notification of rejection and then
24 submit a modified plan within 30 days after the date of the
25 written notice of intent to modify. Districts may amend
26 approved plans pursuant to rules promulgated by the State

1 Board of Education.

2 Upon notification by the State Board of Education that
3 the district has not submitted a plan prior to July 15 or a
4 modified plan within the time period specified herein, the
5 State aid funds affected by that plan or modified plan
6 shall be withheld by the State Board of Education until a
7 plan or modified plan is submitted.

8 If the district fails to distribute State aid to
9 attendance centers in accordance with an approved plan, the
10 plan for the following year shall allocate funds, in
11 addition to the funds otherwise required by this
12 subsection, to those attendance centers which were
13 underfunded during the previous year in amounts equal to
14 such underfunding.

15 For purposes of determining compliance with this
16 subsection in relation to the requirements of attendance
17 center funding, each district subject to the provisions of
18 this subsection shall submit as a separate document by
19 December 1 of each year a report of expenditure data for
20 the prior year in addition to any modification of its
21 current plan. If it is determined that there has been a
22 failure to comply with the expenditure provisions of this
23 subsection regarding contravention or supplanting, the
24 State Superintendent of Education shall, within 60 days of
25 receipt of the report, notify the district and any affected
26 local school council. The district shall within 45 days of

1 receipt of that notification inform the State
2 Superintendent of Education of the remedial or corrective
3 action to be taken, whether by amendment of the current
4 plan, if feasible, or by adjustment in the plan for the
5 following year. Failure to provide the expenditure report
6 or the notification of remedial or corrective action in a
7 timely manner shall result in a withholding of the affected
8 funds.

9 The State Board of Education shall promulgate rules and
10 regulations to implement the provisions of this
11 subsection. No funds shall be released under this
12 subdivision (H) (4) to any district that has not submitted a
13 plan that has been approved by the State Board of
14 Education.

15 (I) (Blank).

16 (J) Supplementary Grants in Aid.

17 (1) Notwithstanding any other provisions of this Section,
18 the amount of the aggregate general State aid in combination
19 with supplemental general State aid under this Section for
20 which each school district is eligible shall be no less than
21 the amount of the aggregate general State aid entitlement that
22 was received by the district under Section 18-8 (exclusive of
23 amounts received under subsections 5(p) and 5(p-5) of that
24 Section) for the 1997-98 school year, pursuant to the

1 provisions of that Section as it was then in effect. If a
2 school district qualifies to receive a supplementary payment
3 made under this subsection (J), the amount of the aggregate
4 general State aid in combination with supplemental general
5 State aid under this Section which that district is eligible to
6 receive for each school year shall be no less than the amount
7 of the aggregate general State aid entitlement that was
8 received by the district under Section 18-8 (exclusive of
9 amounts received under subsections 5(p) and 5(p-5) of that
10 Section) for the 1997-1998 school year, pursuant to the
11 provisions of that Section as it was then in effect.

12 (2) If, as provided in paragraph (1) of this subsection
13 (J), a school district is to receive aggregate general State
14 aid in combination with supplemental general State aid under
15 this Section for the 1998-99 school year and any subsequent
16 school year that in any such school year is less than the
17 amount of the aggregate general State aid entitlement that the
18 district received for the 1997-98 school year, the school
19 district shall also receive, from a separate appropriation made
20 for purposes of this subsection (J), a supplementary payment
21 that is equal to the amount of the difference in the aggregate
22 State aid figures as described in paragraph (1).

23 (3) (Blank).

24 (K) Grants to Laboratory and Alternative Schools.

25 In calculating the amount to be paid to the governing board

1 of a public university that operates a laboratory school under
2 this Section or to any alternative school that is operated by a
3 regional superintendent of schools, the State Board of
4 Education shall require by rule such reporting requirements as
5 it deems necessary.

6 As used in this Section, "laboratory school" means a public
7 school which is created and operated by a public university and
8 approved by the State Board of Education. The governing board
9 of a public university which receives funds from the State
10 Board under this subsection (K) may not increase the number of
11 students enrolled in its laboratory school from a single
12 district, if that district is already sending 50 or more
13 students, except under a mutual agreement between the school
14 board of a student's district of residence and the university
15 which operates the laboratory school. A laboratory school may
16 not have more than 1,000 students, excluding students with
17 disabilities in a special education program.

18 As used in this Section, "alternative school" means a
19 public school which is created and operated by a Regional
20 Superintendent of Schools and approved by the State Board of
21 Education. Such alternative schools may offer courses of
22 instruction for which credit is given in regular school
23 programs, courses to prepare students for the high school
24 equivalency testing program or vocational and occupational
25 training. A regional superintendent of schools may contract
26 with a school district or a public community college district

1 to operate an alternative school. An alternative school serving
2 more than one educational service region may be established by
3 the regional superintendents of schools of the affected
4 educational service regions. An alternative school serving
5 more than one educational service region may be operated under
6 such terms as the regional superintendents of schools of those
7 educational service regions may agree.

8 Each laboratory and alternative school shall file, on forms
9 provided by the State Superintendent of Education, an annual
10 State aid claim which states the Average Daily Attendance of
11 the school's students by month. The best 3 months' Average
12 Daily Attendance shall be computed for each school. The general
13 State aid entitlement shall be computed by multiplying the
14 applicable Average Daily Attendance by the Foundation Level as
15 determined under this Section.

16 (L) Payments, Additional Grants in Aid and Other Requirements.

17 (1) For a school district operating under the financial
18 supervision of an Authority created under Article 34A, the
19 general State aid otherwise payable to that district under this
20 Section, but not the supplemental general State aid, shall be
21 reduced by an amount equal to the budget for the operations of
22 the Authority as certified by the Authority to the State Board
23 of Education, and an amount equal to such reduction shall be
24 paid to the Authority created for such district for its
25 operating expenses in the manner provided in Section 18-11. The

1 remainder of general State school aid for any such district
2 shall be paid in accordance with Article 34A when that Article
3 provides for a disposition other than that provided by this
4 Article.

5 (2) (Blank).

6 (3) Summer school. Summer school payments shall be made as
7 provided in Section 18-4.3.

8 (M) Education Funding Advisory Board.

9 The Education Funding Advisory Board, hereinafter in this
10 subsection (M) referred to as the "Board", is hereby created.
11 The Board shall consist of 5 members who are appointed by the
12 Governor, by and with the advice and consent of the Senate. The
13 members appointed shall include representatives of education,
14 business, and the general public. One of the members so
15 appointed shall be designated by the Governor at the time the
16 appointment is made as the chairperson of the Board. The
17 initial members of the Board may be appointed any time after
18 the effective date of this amendatory Act of 1997. The regular
19 term of each member of the Board shall be for 4 years from the
20 third Monday of January of the year in which the term of the
21 member's appointment is to commence, except that of the 5
22 initial members appointed to serve on the Board, the member who
23 is appointed as the chairperson shall serve for a term that
24 commences on the date of his or her appointment and expires on
25 the third Monday of January, 2002, and the remaining 4 members,

1 by lots drawn at the first meeting of the Board that is held
2 after all 5 members are appointed, shall determine 2 of their
3 number to serve for terms that commence on the date of their
4 respective appointments and expire on the third Monday of
5 January, 2001, and 2 of their number to serve for terms that
6 commence on the date of their respective appointments and
7 expire on the third Monday of January, 2000. All members
8 appointed to serve on the Board shall serve until their
9 respective successors are appointed and confirmed. Vacancies
10 shall be filled in the same manner as original appointments. If
11 a vacancy in membership occurs at a time when the Senate is not
12 in session, the Governor shall make a temporary appointment
13 until the next meeting of the Senate, when he or she shall
14 appoint, by and with the advice and consent of the Senate, a
15 person to fill that membership for the unexpired term. If the
16 Senate is not in session when the initial appointments are
17 made, those appointments shall be made as in the case of
18 vacancies.

19 The Education Funding Advisory Board shall be deemed
20 established, and the initial members appointed by the Governor
21 to serve as members of the Board shall take office, on the date
22 that the Governor makes his or her appointment of the fifth
23 initial member of the Board, whether those initial members are
24 then serving pursuant to appointment and confirmation or
25 pursuant to temporary appointments that are made by the
26 Governor as in the case of vacancies.

1 The State Board of Education shall provide such staff
2 assistance to the Education Funding Advisory Board as is
3 reasonably required for the proper performance by the Board of
4 its responsibilities.

5 For school years after the 2000-2001 school year, the
6 Education Funding Advisory Board, in consultation with the
7 State Board of Education, shall make recommendations as
8 provided in this subsection (M) to the General Assembly for the
9 foundation level under subdivision (B)(3) of this Section and
10 for the supplemental general State aid grant level under
11 subsection (H) of this Section for districts with high
12 concentrations of children from poverty. The recommended
13 foundation level shall be determined based on a methodology
14 which incorporates the basic education expenditures of
15 low-spending schools exhibiting high academic performance. The
16 Education Funding Advisory Board shall make such
17 recommendations to the General Assembly on January 1 of odd
18 numbered years, beginning January 1, 2001.

19 (N) (Blank).

20 (O) References.

21 (1) References in other laws to the various subdivisions of
22 Section 18-8 as that Section existed before its repeal and
23 replacement by this Section 18-8.05 shall be deemed to refer to
24 the corresponding provisions of this Section 18-8.05, to the

1 extent that those references remain applicable.

2 (2) References in other laws to State Chapter 1 funds shall
3 be deemed to refer to the supplemental general State aid
4 provided under subsection (H) of this Section.

5 (P) Public Act 93-838 and Public Act 93-808 make inconsistent
6 changes to this Section. Under Section 6 of the Statute on
7 Statutes there is an irreconcilable conflict between Public Act
8 93-808 and Public Act 93-838. Public Act 93-838, being the last
9 acted upon, is controlling. The text of Public Act 93-838 is
10 the law regardless of the text of Public Act 93-808.

11 (Source: P.A. 93-21, eff. 7-1-03; 93-715, eff. 7-12-04; 93-808,
12 eff. 7-26-04; 93-838, eff. 7-30-04; 93-875, eff. 8-6-04; 94-69,
13 eff. 7-1-05; 94-438, eff. 8-4-05; 94-835, eff. 6-6-06; 94-1019,
14 eff. 7-10-06; revised 8-3-06.)

15 Section 35. The Criminal Code of 1961 is amended by
16 changing Section 17A-1 as follows:

17 (720 ILCS 5/17A-1) (from Ch. 38, par. 17A-1)

18 Sec. 17A-1. Persons under deportation order; ineligible
19 for benefits. An individual against whom a United States
20 Immigration Judge has issued an order of deportation which has
21 been affirmed by the Board of Immigration Review, as well as an
22 individual who appeals such an order pending appeal, under
23 paragraph 19 of Section 241(a) of the Immigration and

1 Nationality Act relating to persecution of others on account of
2 race, religion, national origin or political opinion under the
3 direction of or in association with the Nazi government of
4 Germany or its allies, shall be ineligible for the following
5 benefits authorized by State law:

6 (a) The homestead exemptions and homestead improvement
7 exemption under Sections 15-170, 15-175, 15-176, 15-177, and
8 15-180 of the Property Tax Code.

9 (b) Grants under the Senior Citizens and Disabled Persons
10 Property Tax Relief and Pharmaceutical Assistance Act.

11 (c) The double income tax exemption conferred upon persons
12 65 years of age or older by Section 204 of the Illinois Income
13 Tax Act.

14 (d) Grants provided by the Department on Aging.

15 (e) Reductions in vehicle registration fees under Section
16 3-806.3 of the Illinois Vehicle Code.

17 (f) Free fishing and reduced fishing license fees under
18 Sections 20-5 and 20-40 of the Fish and Aquatic Life Code.

19 (g) Tuition free courses for senior citizens under the
20 Senior Citizen Courses Act.

21 (h) Any benefits under the Illinois Public Aid Code.

22 (Source: P.A. 93-715, eff. 7-12-04.)

23 Section 90. The State Mandates Act is amended by adding
24 Section 8.31 as follows:

1 (30 ILCS 805/8.31 new)

2 Sec. 8.31. Exempt mandate. Notwithstanding Sections 6 and 8
3 of this Act, no reimbursement by the State is required for the
4 implementation of any mandate created by this amendatory Act of
5 the 95th General Assembly.

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.

1		INDEX
2		Statutes amended in order of appearance
3	20 ILCS 620/6	from Ch. 67 1/2, par. 1006
4	35 ILCS 200/9-147 new	
5	35 ILCS 200/14-15	
6	35 ILCS 200/15-10	
7	35 ILCS 200/15-170	
8	35 ILCS 200/15-175	
9	35 ILCS 200/15-177 new	
10	35 ILCS 200/18-178 new	
11	35 ILCS 200/18-185	
12	35 ILCS 200/20-178	
13	55 ILCS 85/6	from Ch. 34, par. 7006
14	55 ILCS 90/45	from Ch. 34, par. 8045
15	65 ILCS 5/11-74.4-8	from Ch. 24, par. 11-74.4-8
16	65 ILCS 5/11-74.4-9	from Ch. 24, par. 11-74.4-9
17	65 ILCS 5/11-74.6-40	
18	65 ILCS 110/45	
19	105 ILCS 5/18-8.05	
20	720 ILCS 5/17A-1	from Ch. 38, par. 17A-1
21	30 ILCS 805/8.31 new	